

**PRELIMINARY REMARKETING STATEMENT DATED APRIL 16, 2026**

**REMARKETING – NOT A NEW ISSUE - BOOK ENTRY ONLY**

**RATING: Moody's "Aa1"**  
**See "RATING" herein**

*In the opinion of Pacifica Law Group LLP, Seattle, Washington, Bond Counsel, under existing law and subject to certain qualifications described herein, the interest on the Bonds is excludable from gross income for federal income tax purposes, except during any period while a Bond is held by a "substantial user" of the facilities financed by the Bonds or by a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax; however, interest on the Bonds may affect the federal alternative minimum tax applicable to certain corporations. Interest on the Bonds is also excludable from taxable income for purposes of the Washington State individual income tax, beginning January 1, 2028. See "TAX MATTERS."*

**\$18,000,000**  
**Washington State Housing Finance Commission**  
**Multifamily Tax-Exempt Bonds**  
**(MBS-Secured) (Addison Grove Apartments Project),**  
**Series 2026**

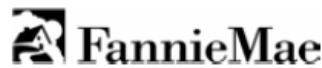
**Remarketing Date: April \_\_, 2026**  
**Bond Interest Rate: \_\_%**  
**Reoffering Price: 100%**

**Original Issue Date: April 14, 2026**  
**Bond Maturity Date: June 1, 2037**  
**Mandatory Tender Date: June 1, 2036\***  
**CUSIP: \_\_\_\_\_**

The Washington State Housing Finance Commission Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026 (the "Bonds" or the "Long-Term Mode Bonds") were issued under and pursuant to an Indenture of Trust, dated as of April 1, 2026 (the "Indenture"), between the Washington State Housing Finance Commission (the "Issuer") and U.S. Bank Trust Company, National Association, a national banking association, as trustee (the "Trustee"). The Bonds were initially drawn on April 14, 2026, as the Short-Term Mode Bonds (the "Short-Term Mode Bonds") but are offered herein solely as the Long-Term Mode Bonds.

The Bonds were issued only as fully registered bonds without coupons and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), Brooklyn, New York. DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only, in the denominations of \$5,000 or any integral multiple of \$1,000 in excess thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. Principal and interest on the Bonds are payable by the Trustee to DTC, which will be responsible for remitting such principal and interest to its Participants, which will be responsible for remitting such principal and interest to the Beneficial Owners of the Bonds, as described under "APPENDIX F – BOOK-ENTRY SYSTEM" herein.

The Bonds were issued to provide funding to Pseudotsuga Apartments LLC, a Washington limited liability company (the "Borrower") to enable the Borrower to pay a portion of the cost of acquiring, constructing, and equipping a multifamily rental housing development. Pursuant to the Indenture and the Financing Agreement dated as of April 1, 2026 (the "Financing Agreement"), by and among the Issuer, the Trustee, in its capacity as the trustee and as the loan originator (the "Loan Originator"), and the Borrower, the Borrower will cause, over time, Eligible Funds, including proceeds of the Construction Loan (as defined below) to be delivered to the Trustee for deposit into the Collateral Fund established under the Indenture, in order to make the Bond proceeds available to the Borrower to pay costs of the Project. It is anticipated that, prior to the delivery of the MBS (as defined below), the principal of and interest on the Bonds will be paid from amounts on deposit in the Revenue Fund, the Bond Proceeds Fund and the Collateral Fund along with the investment earnings thereon. See "SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS" herein.



The Borrower has obtained a construction loan (the "Construction Loan") from Heritage Bank, a Washington state-chartered bank (the "Construction Lender"). From time to time, the Construction Lender will advance to the Trustee proceeds of the Construction Loan for deposit into the Collateral Fund in order to enable the Trustee to release Bond Proceeds to pay costs of the Project. On the Conversion Date (as defined herein), the Construction Loan is expected to be repaid with the proceeds of the Permanent Loan (as defined herein). The Borrower has also received a Lender Commitment, dated as of April 14, 2026\* (the "Permanent Lender Commitment") from CBRE Multifamily Capital, Inc., a Delaware corporation (the "Permanent Lender"), which has agreed to originate a Permanent Loan (as defined herein) upon and subject to satisfaction of certain conditions set forth in the Permanent Lender Commitment. In the event the Permanent Loan is originated, the Federal National Mortgage Association ("Fannie Mae") anticipates that it will deliver, or cause to be delivered, to the Trustee a single mortgage pass-through certificate (the "MBS") guaranteed as to timely payment of principal and interest by Fannie Mae, and concurrently therewith, pursuant to the terms of the Indenture, the Trustee will use Eligible Funds on deposit in the Collateral Fund to purchase the MBS, if and when issued, and such MBS will then secure the payment of the principal of and interest on the Bonds. If the MBS is not delivered on or before the MBS Delivery Date Deadline (as defined herein), or is delivered in an amount less than the full principal amount of the Bonds, then the Eligible Funds in the Collateral Fund will be used to redeem the Bonds as set forth herein. The Borrower anticipates that the Project could support additional debt equal to the principal amount of Bonds on the Conversion Date if certain conditions of the Permanent Lender are satisfied. The Bonds are also subject to mandatory redemption in whole or in part as further described herein. See "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Redemption" herein.

The aggregate principal amount, aggregate face amount (if different), maturity date, interest rate and delivery date for the Bonds shall be as set forth in the Indenture and shall be described, together with the initial reoffering price, if applicable, in the Term Sheet attached as Appendix H hereto, delivered by the Issuer in connection with the sale of the Bonds.

The MBS is expected to be delivered by the MBS Delivery Date Deadline, initially defined as November 25, 2028\*, or, if such day is not a Business Day, the following Business Day, as such date may be extended pursuant to the Indenture. Principal, if due, and interest on the Bonds will be payable (i) semiannually on each January 1 and July 1, or the next succeeding Business Day if such 1<sup>st</sup> day is not a Business Day, commencing July 1, 2026\*, (ii) on the stated maturity date for any of the Bonds and (iii) any earlier date of redemption of any of the Bonds.

The Bonds are subject to mandatory tender and redemption on June 1, 2036\* (the "Mandatory Tender Date"). See "DESCRIPTION OF THE BONDS — Mandatory Redemption of Bonds—Mandatory Redemption in Whole on the Mandatory Tender Date."

**THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER GIVING RISE TO NO CHARGE AGAINST THE ISSUER'S GENERAL CREDIT, AND ARE PAYABLE SOLELY FROM, AND CONSTITUTE CLAIMS OF THE OWNERS THEREOF AGAINST, ONLY THE REVENUES, FUNDS AND ASSETS OF THE ISSUER PLEDGED UNDER THE INDENTURE. THE BONDS SHALL NEVER CONSTITUTE THE DEBT OR INDEBTEDNESS OF THE STATE OF WASHINGTON WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OF THE STATE OF WASHINGTON, OR OF ANY POLITICAL SUBDIVISION THEREOF, AND SHALL NEVER CONSTITUTE**

\* Preliminary; subject to change.

This Preliminary Remarketing Statement and certain of the information contained herein is in a form deemed final for the Securities Exchange Act of 1934, as amended (except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1)). The information herein is subject to revision, completion or amendment in a final Remarketing Statement. These securities may not be sold nor may offers to buy be accepted prior to the time of formal award by the issuer. Under no circumstances shall this Preliminary Remarketing Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE STATE OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS. THE ISSUER HAS NO TAXING POWER.**

This Remarketing Statement presents certain information concerning the Project (as defined herein) and the Bonds that have become available as of the date hereof.

The Bonds are offered when, as and if remarketed by Stifel, Nicolaus & Company, Incorporated (the "Remarketing Agent"), subject to the approval of legality by Pacifica Law Group LLP, Seattle, Washington, Bond Counsel and Issuer's Counsel. Certain legal matters will be passed upon for the Borrower by its counsel, Peterson Russell Kelly Livengood PLLC, Bellevue, Washington, and for the Remarketing Agent by its counsel, Tiber Hudson LLC, Washington, D.C. It is expected that the Bonds will be available in book-entry form through the facilities of DTC in Brooklyn, New York, on or about April \_\_, 2026.

*This cover page contains limited information for ease of reference only. It is not a summary of the Bonds or the security therefor. This entire Remarketing Statement, including the Appendices, must be read to obtain information essential to make an informed investment decision.*

**STIFEL**

Dated: April \_\_, 2026

*No dealer, broker, salesman or other person has been authorized by the Issuer or the Remarketing Agent to give any information or to make any representations other than those contained in this Remarketing Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Remarketing Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.*

*Prospective purchasers must read this entire Remarketing Statement (including the cover page and all appendices hereto) to obtain all of the information essential to the making of an informed investment decision.*

*References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Neither the Issuer nor the Remarketing Agent has been able to verify the accuracy or completeness of the information contained in website addresses set forth in this Remarketing Statement or to verify that such information is accurate and complete as of the date of this Remarketing Statement. Investors reviewing such information must rely on the providers of such information for its accuracy and completeness in making any investment decisions regarding the Bonds. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Remarketing Statement.*

*The information set forth herein has been obtained from the Borrower, the Issuer and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Remarketing Agent. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Remarketing Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Borrower or the Issuer or any other parties described herein since the date as of which such information is presented.*

*The Remarketing Agent has provided the following sentence for inclusion in this Remarketing Statement. The Remarketing Agent has reviewed the information in this Remarketing Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Remarketing Agent does not guarantee the accuracy or completeness of such information.*

*Fannie Mae has not reviewed or undertaken to determine the accuracy of any of the information contained in this Remarketing Statement, other than providing a link to the template Fannie Mae MBS Prospectus in Appendix A and the Additional Disclosure Addendum in Schedule I to Appendix A, and makes no representation or warranty, express or implied, as to any of the other matters contained in this Remarketing Statement, including, but not limited to (i) the accuracy or completeness of such information, (ii) the suitability of the Bonds for any investor, (iii) the feasibility or performance of any project, (iv) the structure, provisions or terms of the Bonds and any cash flows related thereto, or (v) compliance with any securities, tax or other laws or regulations including but not limited to the validity of the Bonds and the tax-exempt status of the Bonds. Fannie Mae's role with respect to the Bonds is limited to issuing and discharging its obligations under the MBS if and when delivered.*

*No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission (the "Commission") or with any state securities agency. The Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Remarketing Statement. Any representation to the contrary is a criminal offense.*

*CUSIP data herein are provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer and are included solely for the convenience of the holders of the Bonds. The Issuer is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions.*

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## REMARKETING STATEMENT

relating to

**\$18,000,000**

**Washington State Housing Finance Commission  
Multifamily Tax-Exempt Bonds  
(MBS-Secured) (Addison Grove Apartments Project),  
Series 2026**

### INTRODUCTION

This Remarketing Statement (which includes the cover page and appendices hereto) provides certain information in connection with the remarketing and sale of the \$18,000,000 Washington State Housing Finance Commission Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026 (the “Bonds” or the “Long-Term Mode Bonds”) issued by the Washington State Housing Finance Commission (the “Issuer”), a public body corporate and politic and an instrumentality of the State of Washington (the “State”). The Bonds were issued pursuant to the provisions of the Constitution and laws of the State of Washington, particularly Laws of 1983, Ch. 161, codified at Chapter 43.180 RCW, as amended (the “Act”), and that certain resolution adopted on March 26, 2026 (the “Resolution”) and secured by an Indenture of Trust, dated as of April 1, 2026 (the “Indenture”), between the Issuer and U.S. Bank Trust Company, National Association, a national banking association, as trustee (the “Trustee”). Pursuant to the Indenture and the Financing Agreement dated as of April 1, 2026 (the “Financing Agreement”), by and among the Issuer, the Trustee, U.S. Bank Trust Company, National Association, a national banking association, as in its capacity as loan originator (the “Loan Originator”), and Pseudotsuga Apartments LLC, a Washington limited liability company (the “Borrower”), the Bonds are being remarketed to provide financing for a certain multifamily rental housing development known or to be known as Addison Grove (the “Project”) in unincorporated Pierce County, Washington, as further described in the Term Sheet attached as Appendix H to this Remarketing Statement (the “Term Sheet”), by using the proceeds thereof to provide financing for the Project and to facilitate the delivery of the MBS (as defined below) guaranteed by the Federal National Mortgage Association (“Fannie Mae”).

All capitalized terms used in this Remarketing Statement that are defined in the Indenture shall have the respective meanings set forth in the Indenture. See “APPENDIX B – DEFINITIONS OF CERTAIN TERMS.”

The Bonds were initially issued as Short-Term Mode Bonds (the “Short-Term Mode Bonds”), subject to Mandatory Tender and remarketing on the Initial Mandatory Tender Date (the “Initial Mandatory Tender Date”), defined as the Long-Term Mode Remarketing Date (the “Long-Term Mode Remarketing Date” and “Remarketing Date”) but no later than October 1, 2026 (the “Long-Term Mode Remarketing Deadline”), and will be remarketed as Long-Term Mode Bonds, subject to mandatory tender and redemption on June 1, 2036\* (the “Mandatory Tender Date”), and as further described herein and in the Indenture.

The Issuer, the Borrower, and Stifel, Nicolaus & Company, Incorporated (the “Remarketing Agent”) have entered into a Bond Purchase Agreement (the “Bond Purchase Agreement”), pursuant to which the Issuer agreed to sell the Bonds to the Remarketing Agent. The transaction entered into under the Bond Purchase Agreement provided for the issuance and sale to the Remarketing Agent of the Bonds in a specified principal amount, with a specified interest rate, on a specified date and at a specified price. The Borrower and the Remarketing Agent have also entered into a Remarketing Agreement (the “Remarketing Agreement”), pursuant to which the Remarketing Agent has agreed to remarket the bonds on the Remarketing Date in accordance with the terms and conditions set forth therein. The remarketing of the Bonds is subject to the satisfaction of a number of conditions set forth in the Bond Purchase Agreement and the Remarketing Agreement.

On the Long-Term Mode Remarketing Date, and prior to the date of delivery by Fannie Mae of the MBS (the “MBS Delivery Date”), the Bonds will be secured by (i) the proceeds of the Bonds delivered to the Trustee and

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\* Preliminary; subject to change.

deposited into the Bond Proceeds Fund established under the Indenture, (ii) Eligible Funds, delivered to the Trustee and deposited into the Negative Arbitrage Account of the Revenue Fund established under the Indenture, in an amount equal to the interest on the Bonds at the interest rate set forth on the cover page hereof (the “Bond Interest Rate”) from the Long-Term Mode Remarketing Date (as specified in the Term Sheet) to, but not including, the date that is five (5) calendar days after the MBS Delivery Date Deadline, and (iii) Eligible Funds from time to time to be delivered to the Trustee at the direction of the Borrower and deposited into the Collateral Fund established under the Indenture. Prior to the MBS Delivery Date, the principal of, premium, if any, and interest on the Bonds will be paid from amounts on deposit in the Revenue Fund, the Collateral Fund and the Bond Proceeds Fund along with the investment earnings thereon. Following the MBS Delivery Date, the Bonds will be secured by, and the principal of and interest thereon will be paid from, payments made on the MBS. See “SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS” herein.

The Borrower has obtained a construction loan in the amount of up to \$16,000,000 (the “Construction Loan”) from Heritage Bank, a Washington state-chartered bank (the “Construction Lender”) and a subordinate loan (the “Subordinate Loan”) from the Washington Family Housing Fund (“WAFAM”) in an amount not to exceed \$13,410,000. The Washington State Housing Finance Commission, in its capacity as administrator of the WAFAM program, will make the Subordinate Loan to the Borrower (in such capacity, the “Subordinate Lender”). From time to time, the Borrower will cause Eligible Funds, including proceeds of the Construction Loan and the Subordinate Loan, to be delivered to the Trustee for deposit into the Collateral Fund in order to enable the Trustee to release Bond Proceeds to pay costs of the Project. On the Conversion Date, the Construction Loan is expected to be repaid with the proceeds of the Permanent Loan. The Borrower has also received a commitment, dated as of April 14, 2026\* (the “Permanent Lender Commitment”) from CBRE Multifamily Capital, Inc., a Delaware corporation (the “Permanent Lender”), pursuant to which the Permanent Lender has agreed, subject to the satisfaction of the conditions set forth in the Permanent Lender Commitment, to originate a mortgage loan (the “Permanent Loan”) to the Borrower secured by a mortgage constituting a first lien on the Project. See “THE PERMANENT LOAN” herein.

Based on current underwriting assumptions, the Permanent Lender Commitment amount is \$16,360,000\*, which amount is less than the principal amount of the Bonds. The Permanent Lender Commitment permits the actual Permanent Loan to be issued in an amount up to the principal amount of the Bonds if certain conditions are satisfied upon Conversion. See “APPENDIX H – TERM SHEET” herein. In the event the Permanent Loan is originated, the Trustee will use Eligible Funds on deposit under the Indenture, including in the Bond Proceeds Fund and the Collateral Fund, to purchase a single mortgage pass-through certificate (the “MBS”) guaranteed as to principal and interest by Fannie Mae, if and when issued, and such MBS will then secure the payment of the principal of and interest on the Bonds. See “APPENDIX A – FANNIE MAE MORTGAGE-BACKED SECURITIES PROGRAM” herein. The closing of the Construction Loan and the Permanent Loan and delivery of the MBS are subject to the satisfaction of certain requirements and preconditions and does not extend to the benefit of any other third party, including the beneficial owners of the Bonds, the Issuer or the Trustee. No representations or assurances can be provided as to whether or not such conditions can or will be satisfied.

Taking into account market conditions in the market in which the Project will be located, the Borrower believes that on the Conversion Date, there is the possibility that the actual Permanent Loan to be issued may be in an amount up to the principal amount of Bonds. There can be, however, no assurance that this will be the case. The actual Permanent Loan, if originated, shall be in an amount not to exceed the principal amount of the Bonds. See “APPENDIX H – TERM SHEET” herein.

If the MBS is not delivered on or before the MBS Delivery Date Deadline (as defined herein), as such date may be extended pursuant to the terms of the Indenture, or is delivered in an amount less than the full principal amount of the Bonds, then the Eligible Funds in the Collateral Fund and funds then on deposit in the Bond Proceeds Fund will be used to redeem the Bonds as set forth in the Indenture. The Bonds are also subject to mandatory redemption in whole or in part as further described herein. See “DESCRIPTION OF THE BONDS — Mandatory Redemption of Bonds.”

The Bonds shall bear interest on the outstanding principal amount thereof at the Bond Interest Rate. Prior to, and following the MBS Delivery Date, principal, if due, and interest on the Bonds will be payable (i) semiannually

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\* Preliminary; subject to change.

on each January 1 and July 1, or the next succeeding Business Day if such 1st day is not a Business Day, commencing July 1, 2026\* (the “Initial Payment Date”), (ii) on the stated maturity date for any of the Bonds and (iii) any earlier date of redemption of any of the Bonds.

Principal and interest on the Bonds are payable by the Trustee to DTC, which will be responsible for remitting such principal and interest to its Participants, which will be responsible for remitting such principal and interest to the Beneficial Owners of the Bonds. The payment of interest on each Payment Date shall relate to the interest accrued during the preceding six calendar months; provided that the payment of interest on the Initial Payment Date shall relate to the interest accrued on the Bonds from the Long-Term Mode Remarketing Date to but not including such Initial Payment Date.

The Bonds are special, limited obligations of the Issuer, payable solely from and secured by the pledge pursuant to the Indenture of the Trust Estate, consisting of revenues from the MBS (the “MBS Revenues”) and other funds pledged therefor under the Indenture. See “SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS.”

**THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER GIVING RISE TO NO CHARGE AGAINST THE ISSUER’S GENERAL CREDIT, AND ARE PAYABLE SOLELY FROM, AND CONSTITUTE CLAIMS OF THE OWNERS THEREOF AGAINST, ONLY THE REVENUES, FUNDS AND ASSETS OF THE ISSUER PLEDGED UNDER THE INDENTURE. THE BONDS SHALL NEVER CONSTITUTE THE DEBT OR INDEBTEDNESS OF THE STATE OF WASHINGTON WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OF THE STATE OF WASHINGTON, OR OF ANY POLITICAL SUBDIVISION THEREOF, AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE STATE OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS. THE ISSUER HAS NO TAXING POWER.**

Descriptions, certain definitions and final terms of the Bonds, the Borrower, the Project, the Permanent Loan and the MBS, are included in the Term Sheet. The information included in the Term Sheet assumes that the Permanent Loan is originated in an amount equal to the maximum amount available under the Permanent Lender Commitment and that all the conditions to conversion set forth in the Permanent Lender Commitment (the “Conditions to Conversion”) have been satisfied and have not been waived or modified. All summaries or descriptions herein of documents and agreements are qualified in their entirety by reference to such documents and agreements and all summaries herein of the Bonds are qualified in their entirety by reference to the Indenture and the provisions with respect thereto included in the aforesaid documents and agreements. Copies of the Indenture and the Financing Agreement are available for inspection at the office of the Trustee. The Borrower will provide certain information on an ongoing basis to the Municipal Securities Rulemaking Board (the “MSRB”). For a description of the Borrower’s undertaking with respect to ongoing disclosure, see “CONTINUING DISCLOSURE” herein.

## THE ISSUER

*The following information has been provided by the Issuer for use herein. While the information is believed to be reliable, none of the Trustee, the Borrower, the Remarketing Agent, the Permanent Lender, Fannie Mae nor any of their respective counsel, members, officers or employees makes any representations as to the accuracy or sufficiency of such information.*

The Issuer was created in 1983 as a public body corporate and politic and an instrumentality of the State of Washington. The Issuer is authorized to issue nonrecourse revenue bonds to make funds available at affordable rates to finance nonprofit and housing facilities in the State. The Issuer’s address is 1000 Second Avenue, Suite 2700, Seattle, Washington 98104 and its telephone number is (206) 464-7139. Additional information regarding the Issuer and its programs can be accessed at [www.wshfc.org](http://www.wshfc.org). Neither the information on the Issuer’s website, nor any links from that website, is part of this Remarketing Statement, and such information cannot be relied upon to be accurate as of the date of this Remarketing Statement, nor should any such information be relied upon to make investment decisions regarding the Bonds.

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\* Preliminary; subject to change.

The Issuer is authorized to purchase loans, to make loans to nonprofit entities and to lenders so that those lenders may make loans, to pledge loans as security for the payment of the principal of and interest on its revenue bonds, and to enter into any agreements in connection therewith. The Issuer is also authorized under Revised Code of Washington Section 43.180.300 *et seq.* to issue bonds for facilities owned or used by nonprofit organizations described under Section 501(c)(3) of the Code.

There are eleven members of the Issuer. Two members are State Officials, the State Treasurer and the Director of the State Department of Commerce, who serve *ex officio*. The Chair of the Issuer is appointed by the Governor and serves at the pleasure of the Governor. The other members of the Issuer are appointed by the Governor in categories set out in State statute and serve for overlapping terms of four years.

As of April 15, 2026, the members of the Issuer and their principal occupations are as follows:

<u>Name</u>	<u>Principal Occupation</u>
Nicole Bascomb-Green, Chair	Owner, Bascomb Real Estate Group; Board President, Western Washington Chapter of the National Association of Real Estate Brokers; Board Secretary, Northwest Multiple Listing Service (NWMLS); Advisory Board Member, Foster School of Business – Consulting and Business Development Center; Core Team Member, Black Home Initiative (BHI); Board Member, Urban League of Metropolitan Seattle; Board Member, HomeSight.
Sarah Clifthorne	Interim Director, State Department of Commerce ( <i>ex officio</i> Commissioner); former Deputy Director, State Department of Commerce.
Pedro Espinoza	Construction business owner; former Political Liaison Representative and former Union Representative, Pacific NW Regional Council of Carpenters Union; former Journeyman Carpenter, Pacific NW Carpenters Local Union 816, 131, 30; current member of the Board of Directors of Centro Cultural Mexicano and Latinos Votes.
Lowel Krueger	Executive Director, Yakima Housing Authority; former Chief Financial Officer, Yakama Nation Housing Authority; former Assistant State Auditor, Washington State Auditor’s Office; current member of Board of Directors, Impact Capital and the Homeless Network of Yakima County.
Aaron McGrath	Retired Vice President and Associate General Counsel, Amazon; former associate, K&L Gates; former VISTA (AmeriCorps) volunteer; former Executive Director and founder, Platte Valley Community Development Association.
Ann Melone	Senior Vice President and Business Development Officer, U.S. Bancorp Impact Finance; member, Board of Directors of Community Roots Housing; Board Treasurer, Pacific Northwest Women’s Affordable Housing Network; Chair, Seattle Housing Levy Oversight Committee.
Mike Pellicciotti, Secretary	State Treasurer ( <i>ex officio</i> Commissioner); former member of the Washington State House of Representatives, former Washington State Assistant Attorney General; former Chair, Washington Equal Justice Coalition; former member, Gonzaga University Board of Regents.
Diana Perez	Councilmember, City of Vancouver; Vice Chair, Ending Community Homelessness Organization; Advisory Board Member, Community Action; Executive Board Member, Elder Justice Center.

<u>Name</u>	<u>Principal Occupation</u>
Michone Preston	CEO, Habitat for Humanity of Washington State; former CEO, Habitat for Humanity - Spokane; Chair, Affordable Housing Advisory Board; former Chair, Washington State Legislative Homeownership Disparities Workgroup.
Bill Rumpf	Retired President, Mercy Housing Northwest; former Deputy Director, City of Seattle Office of Housing; former Chief Executive Officer, California Housing Partnership; Chief of Housing, San Francisco Redevelopment Agency.
Albert L. Tripp Jr.	Chief Executive and Administrative Officer, City of Airway Heights, Washington; former Director of Public Works, City of Airway Heights Washington. Board Member, West Central Neighborhood Council; Member, Spokane Regional Homeless Governance Council and Washington City/County Management Association.

The Executive Director of the Issuer is Steve Walker. Mr. Walker has 30 years of experience working in affordable housing and community development and most recently served for five and one-half years as the Director of the Office of Housing of the City of Seattle where he oversaw the City's strategies and investments in affordable housing. He previously worked as the Director of the Issuer's Multifamily Housing and Community Facilities Division, as a planning and development specialist for the City of Seattle Department of Housing and Human Services, as Housing Director for the nonprofit agency Family Emergency Shelter Coalition in Hayward, California, and as a project development coordinator in the Homeless Division of the New York City Department of Housing, Preservation and Development. He currently serves on the boards of the Washington Community Reinvestment Association and of Enterprise Community Partners Pacific Northwest Leadership Council. He formerly served on the boards of the Washington Low Income Housing Alliance, Impact Capital and All Home. Mr. Walker is a graduate of Columbia University (B.A. 1988) and of the University of Washington (M.A., Urban Design and Planning, 1998).

The Issuer's Deputy Director is Robert Peterson. Mr. Peterson originally joined the Issuer in 2000 as a program administrator in the Homeownership Division. He subsequently served as Deputy Executive Director for the Pierce County Housing Authority from 2004-2006 and then rejoined the Issuer as the Manager of the Multifamily Housing and Community Facilities Division, a position he held from June 2006 to April 2022, when he assumed the position of Deputy Director. Mr. Peterson is a graduate of Washington State University with a B.A. in Business Administration.

The Issuer's Director of the Multifamily Housing and Community Facilities Division is Lisa Vatske. Ms. Vatske joined the Issuer on May 1, 2014. Ms. Vatske has over 20 years of experience in community and economic development, holding various positions within the Washington State Department of Commerce, with over six years as Managing Director of the Washington State Housing Trust Fund. She most recently held positions in the Washington State Employment Security Department as well as the Department of Social and Health Services. Ms. Vatske was instrumental in the start-up and financing for Fish Brewing Company, producing Fish Tale Ales and served as their Chief Financial Officer. She is a graduate of the University of Massachusetts, Amherst, with a B.B.A. in Business Finance.

The Issuer's Senior Director of Finance is Lucas Loranger. Mr. Loranger has had various positions in the Finance Division since interning with the Issuer in 2008 and commencing full-time employment in June 2009. He most recently served as the Senior Controller from February 2021 to February 2024, when he assumed his current position. Mr. Loranger is a graduate of Western Washington University with a B.A. in Accounting and Economics.

## DESCRIPTION OF THE BONDS

### General

The Bonds will be remarketed in denominations of \$5,000 or any integral multiple of \$1,000 in excess thereof. The Bonds are issuable only as fully registered bonds without coupons and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), Brooklyn, New York. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only. Purchasers will not receive bonds representing their interest in the Bonds purchased. See “APPENDIX F — BOOK-ENTRY SYSTEM.”

The Bonds are dated their original date of issuance being April 14, 2026 (the “Original Issue Date”), will be remarketed on April \_\_, 2026 (the “Long-Term Mode Remarketing Date” and “Remarketing Date”) and have a final maturity date and a final payment date on the respective date(s) identified in the Term Sheet and on the cover page hereof. The Bonds will bear interest from the Long-Term Mode Remarketing Date at the Bond Interest Rate. Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months (“30/360”). The payment of interest on each Payment Date shall relate to the interest accrued during the preceding six calendar months; provided that the payment of interest on the Initial Payment Date shall relate to the interest accrued from the Long-Term Mode Remarketing Date to but not including such Initial Payment Date.

Prior to the MBS Delivery Date, all payments of interest with respect to the Bonds will be paid to the Bondholders by the Trustee from funds held in the Revenue Fund under the Indenture. Following the MBS Delivery Date, the Trustee will pay to the Bondholders, from the applicable account of Revenue Fund, the amount listed in the applicable maturity, sinking fund and interest payment schedule set forth in the Indenture. All payments of principal and interest shall be made to the Bondholder of record as of the applicable Record Date.

All payments of interest with respect to the Bonds will be paid to the Bondholders by the Trustee from funds held in the Revenue Fund under the Indenture. All payments of principal and interest with respect to the Bonds will be paid to the Bondholders in proportion to the principal amount of each Bond owned by each such owner as set forth on the records of the Trustee as of the Record Date.

So long as Cede & Co. or another nominee designated by DTC is the registered owner of the Bonds, principal of and interest on the Bonds are payable by the Trustee to DTC, which will be responsible for remitting such principal and interest to its Participants, which will be responsible for remitting such principal and interest to the Beneficial Owners of the Bonds. See “APPENDIX F — BOOK-ENTRY SYSTEM.” *So long as Cede & Co. is the registered owner of the Bonds, all references in this Remarketing Statement to the owners or holders of the Bonds, means Cede & Co. and not the Beneficial Owners of the Bonds.*

### Transfer of Bonds

While DTC is the securities depository for book-entry Bonds, the transfer of beneficial ownership of Bonds shall take place as described in “APPENDIX F — BOOK-ENTRY SYSTEM.” If DTC were to terminate its status as securities depository for the Bonds and, as a result, the Bonds were no longer book-entry securities, no transfer of a Bond will be made unless made upon the records of the Issuer kept for that purpose at the corporate trust office of the Trustee, by the registered owner of the Bond or by its attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee. Upon the transfer of any such Bond, the Issuer shall issue and the Trustee shall authenticate and deliver to and in the name of the transferee a new fully registered Bond, of the same series, aggregate principal amount, interest rate, maturity and other terms as the surrendered Bond.

### Mandatory Redemption of Bonds

The Bonds are subject to mandatory redemption prior to maturity under the Indenture as follows.

Mandatory Redemption Prior to MBS Delivery Date. On any Payment Date that occurs prior to or during the month in which the MBS is delivered to the Trustee, the Bonds are subject to mandatory redemption in part in an

amount equal to the amount due on the first day of the month in which such Payment Date occurs as shown in the Permanent Loan Amortization Schedule, payable with respect to principal first, from money on deposit in the Collateral Fund and second, from money on deposit in the Bond Proceeds Fund, and with respect to interest, from money on deposit in the Bond Account of the Revenue Fund or other Eligible Funds.

Mandatory Redemption Upon Failure to Convert or Failure to Purchase the MBS by the MBS Delivery Date Deadline. The Bonds are subject to mandatory redemption in whole five (5) calendar days after the MBS Delivery Date Deadline (as such date may be extended pursuant to the Indenture) at a Redemption Price equal to 100% of the Outstanding principal amount thereof, plus interest accrued but unpaid from the first day of the month in which the last Bond Payment Date occurred (or, if no payment has occurred subsequent to the Long-Term Mode Remarketing Date, from the Long-Term Mode Remarketing Date) to, but not including, such redemption date, if either the Conversion Date or the MBS Delivery Date has not occurred on or prior to the MBS Delivery Date Deadline, as such date may be extended, payable with respect to principal first, from money on deposit in the Collateral Fund and second, from money on deposit in the Bond Proceeds Fund, and with respect to premium, if any, and interest, from money on deposit in the Bond Account of the Revenue Fund and other Eligible Funds.

Mandatory Redemption on the MBS Delivery Date. The Bonds are subject to mandatory redemption in part on the MBS Delivery Date at a Redemption Price equal to 101% of the principal amount of the Bonds to be redeemed, plus interest accrued but unpaid from the first day of the month in which the last Payment Date occurred to, but not including, the MBS Delivery Date, in an amount equal to the difference between (i) the principal amount of the MBS purchased on the MBS Delivery Date and (ii) the aggregate principal amount of the Bonds Outstanding as of the first day of the month in which the MBS Delivery Date occurred, payable with respect to principal first, from money on deposit in the Collateral Fund and second, from money on deposit in the Bond Proceeds Fund, and with respect to interest and premium, if any, from money on deposit in the Bond Account of the Revenue Fund and other Eligible Funds.

Mandatory Sinking Fund Redemption\*. The Bonds will be subject to mandatory redemption on the respective dates set forth in the schedule below, at the Redemption Price equal to the principal amount thereof, plus accrued interest to, but not including, the redemption date.

<u>Sinking Fund Payment Date</u>	<u>Amount</u>	<u>Sinking Fund Payment Date</u>	<u>Amount</u>
7/1/2029	\$13,000	7/1/2033	\$109,000
1/1/2030	91,000	1/1/2034	111,000
7/1/2030	94,000	7/1/2034	114,000
1/1/2031	95,000	1/1/2035	117,000
7/1/2031	99,000	7/1/2035	120,000
1/1/2032	100,000	1/1/2036	123,000
7/1/2032	104,000	6/1/2036	16,605,000
1/1/2033	105,000		

Any scheduled principal payments made pursuant to the Permanent Loan Amortization Schedule shall be retained by the Trustee and used to make sinking fund payments as set forth above.

Mandatory Redemption Following Unscheduled Prepayment of the Permanent Loan.

(i) The Bonds are subject to mandatory redemption in whole or in part one Business Day after the date on which any uncheduled MBS principal payment or prepayment is received by the Trustee, at a Redemption Price equal to 100% of the principal amount thereof, plus accrued interest and premium, if any, received pursuant to the MBS.

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\* Preliminary; subject to change.

(ii) Notwithstanding anything to the contrary in the Indenture, the Bonds are not subject to optional redemption but are subject to Mandatory Redemption prior to maturity in connection with a prepayment of the Permanent Loan, as follows:

The Permanent Loan is subject to optional prepayment by the Borrower. Prepayments of the Permanent Loan during the Yield Maintenance Period from the Conversion Date through the dates selected in the Fannie Mae Forward Commitment may be subject to prepayment premium as described in the Fannie Mae Forward Commitment. During the Yield Maintenance Period on the Permanent Loan, a portion of the prepayment premium on the Permanent Loan, if collected, may be passed-through as a payment on the MBS. Fannie Mae will not guarantee to any trust the payment of any prepayment premiums.<sup>1</sup>

Mandatory Tender in Whole on the Mandatory Tender Date. The Bonds are subject to mandatory tender in whole on the Mandatory Tender Date. Holders will not have the right to elect to retain their Bonds. Upon presentation and surrender of the Bonds by the Holder on the date fixed for tender, the Holder shall be paid the principal amount of the Bonds to be tendered, plus accrued interest on such Bonds to but not including the Mandatory Tender Date.

Selection of Bonds for Redemption. If less than all of the Bonds are redeemed as described in “Mandatory Redemption of Bonds — Mandatory Sinking Fund Redemption” herein, the Bonds shall be redeemed in accordance with the respective schedules set forth in the Indenture. In the event the Bonds are redeemed in part and not in whole as described in “Mandatory Redemption of Bonds — Mandatory Sinking Fund Redemption” herein, the Bonds shall be redeemed ratably across all maturities and the scheduled principal payments on the Bonds to remain outstanding and the mandatory redemption requirements for each maturity described in the Indenture shall be adjusted so that the resulting debt service on the Bonds (including scheduled mandatory redemption payments) during each six-month period commencing on each Payment Date is proportional, as nearly as practicable, to the payments on the MBS during each such six-month period, without exceeding the amount available from MBS payments, and other available funds under the Indenture that may be used to pay debt service on the Bonds, during each such six-month period. All Bonds to be redeemed within the same maturity shall be selected by lot. Any redemption in part shall be in Authorized Denominations and the Permanent Lender shall furnish the Trustee with a revised Permanent Loan Amortization Schedule in connection with such redemption in part.

Except as otherwise described above, any Bonds to be called for redemption shall be selected ratably among maturities and within a maturity by lot, such selection to be made prior to the date on which notice of such redemption must be given and Bonds shall be redeemed as soon as practicable after an event causing a redemption shall have occurred. The Trustee shall have no liability for such selections made without gross negligence or willful misconduct.

If it is determined that less than all of the principal amount represented by any Bond is to be called for redemption, then, following notice of intention to redeem such principal amount, the holder thereof shall surrender such Bond to the Trustee on or before the applicable redemption date for (i) payment on the redemption date to such Bondholder of the Redemption Price of the amount called for redemption and (ii) delivery to such Bondholder of a new Bond or Bonds of such Series in an aggregate principal amount equal to the unredeemed balance of such Bond. A new Bond representing the unredeemed balance of such Bond shall be issued to the registered owner thereof, without charge therefor. If the registered owner of any Bond selected for redemption shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the amount called for redemption (and to that extent only).

See “APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Mandatory Redemption of Bonds” attached hereto.

### **Extension of MBS Delivery Date Deadline**

At any time prior to the MBS Delivery Date Deadline, the Borrower may extend the MBS Delivery Date Deadline by (a) providing to the Trustee, the Lender, the Rating Agency, the Issuer and the Remarketing Agent written notice of any extension of the MBS Delivery Date Deadline, (b) depositing with the Trustee Eligible Funds for the

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<sup>1</sup> See “APPENDIX H – TERM SHEET— MULTIFAMILY SCHEDULE OF LOAN INFORMATION – Prepayment Premium Term” attached hereto.

credit of the Negative Arbitrage Account in an amount, taking into account amounts already on deposit therein, sufficient to pay interest due on the Bonds to the date that is five (5) calendar days after the extended MBS Delivery Date Deadline (the “Extension Deposit”), (c) delivering to the Trustee and the Rating Agency a Cash Flow Projection establishing the sufficiency of the Extension Deposit, and (d) delivering to the Trustee confirmation by the Rating Agency of the then-current rating on the Bonds. Extension Deposits may continue to be made by or on behalf of the Borrower until the MBS Delivery Date occurs or the Borrower declines to make an Extension Deposit resulting in the mandatory redemption of the Bonds described under the headings “Mandatory Redemption of Bonds — Mandatory Redemption Upon Failure to Convert or Failure to Purchase the MBS by the MBS Delivery Date Deadline” and “Mandatory Redemption of Bonds — Mandatory Redemption on the MBS Delivery Date,” as applicable; provided, however, the MBS Delivery Date Deadline may not be extended to a date that is later than the third anniversary of the Long-Term Mode Remarketing Date unless prior to any extension beyond such date there shall be filed with the Trustee and the Issuer an opinion of Bond Counsel to the effect that such extension will not, in and of itself, adversely affect the exclusion of interest on the Bonds from gross income for Federal income tax purposes. The cost of such opinion shall be the sole responsibility of the Borrower. See “APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Extension of MBS Delivery Date Deadline” attached hereto.

## **THE PERMANENT LOAN**

### **General**

The Permanent Lender Commitment sets forth certain Conditions to Conversion which must be satisfied by the Borrower prior to the origination of the Permanent Loan and the issuance of the MBS. Such conditions include, but are not limited to: the completion of improvements, confirmation that the Minimum Occupancy Requirement (as defined in the Permanent Lender Commitment) has been met, the delivery of required transaction documents and certain other items required in connection with the Permanent Lender Commitment; the renewal and approval by Fannie Mae of all agreements, documents, instruments reports, surveys, papers and matters which are subject to Fannie Mae’s review and approval in connection with the Permanent Lender Commitment; the payment of all fees required in connection with the Permanent Lender Commitment; that there be no event of default under any of the required transaction documents; and certain other conditions set forth in the Permanent Lender Commitment. The conditions described in the prior sentence represent only a limited summary of the Conditions to Conversion, and the Permanent Lender Commitment should be referenced for a full description of such conditions. Upon satisfaction of the Conditions to Conversion (set forth in the Permanent Lender Commitment) on or prior to November 1, 2028\* (the “Initial Termination Date”), which date is subject to one six-month extension and to further potential extensions at the sole discretion of Fannie Mae (as set forth in the Permanent Lender Commitment), the Permanent Lender will originate the Permanent Loan.

Based on current underwriting assumptions, the Permanent Lender Commitment amount is \$16,360,000\*, which amount is less than the principal amount of the Bonds. The Permanent Lender Commitment permits the actual Permanent Loan to be issued in an amount up to the principal amount of Bonds if certain conditions are satisfied upon conversion.

If and when the Permanent Loan is originated, and the MBS is delivered, subject to (a) the conditions and requirements of the Permanent Lender Commitment and (b) the satisfaction of the conditions relating to the financing, construction and leasing of the Project, the Indenture authorizes the Trustee to use Eligible Funds to purchase the MBS, if and when the MBS is issued, and such MBS will then secure the payment of the interest on and principal of the Bonds. If the MBS is not delivered, then the Eligible Funds held under the Indenture will be used to redeem the Bonds as further described in Appendix C hereto.

The Permanent Lender has undertaken to certify that the MBS has terms consistent with the Term Sheet and meets the requirements set forth in the Indenture, on which certification the Trustee may rely and act without further investigation. The Permanent Loan is to be evidenced by the Mortgage Note, executed by the Borrower in favor of the Lender and secured by the mortgage dated as of the date of closing of the Permanent Loan, together with all riders and exhibits, securing the Permanent Loan, executed by the Borrower in favor of the Permanent Lender (the

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\* Preliminary; subject to change.

“Mortgage”). The Borrower is required under the Mortgage Note to make monthly payments sufficient in the aggregate to pay debt service on the Permanent Loan.

On or after the Long-Term Mode Remarketing Date, the Borrower, the Permanent Lender and Fannie Mae, collectively, have the ability to increase the amount of debt on the Project to exceed the outstanding principal amount of the Bonds. Although such additional debt is not guaranteed to be either supportable by the Project or approved by the Permanent Lender or Fannie Mae, any security instrument issued in connection therewith will not relate to or serve as additional security for the Bonds.

### **MBS Payments**

Following the MBS Delivery Date, if such date occurs, payments on the MBS will be made on the 25<sup>th</sup> day of each month (beginning with the month following the month in which the MBS is issued and delivered to the Trustee), or, if such 25<sup>th</sup> day is not a Business Day, on the first Business Day next succeeding such 25<sup>th</sup> day. With respect to the MBS, Fannie Mae will distribute to the Trustee an amount equal to the total of (i) the principal due on the Permanent Loan underlying the MBS during the period beginning on the second day of the month prior to the month of such distribution and ending on the first day of such month of distribution, (ii) the stated principal balance of the Permanent Loan that was prepaid in full during the calendar month next preceding the month of such distribution (including as prepaid for this purpose at Fannie Mae’s election the Permanent Loan after it is delinquent, in whole or in part, with respect to four consecutive installments of principal and interest; or because of Fannie Mae’s election to repurchase the Permanent Loan under certain other circumstances), (iii) the amount of any partial prepayment of the Permanent Loan received in the calendar month next preceding the month of distribution, and (iv) one month’s interest at the MBS interest rate on the principal balance of the MBS as reported to the Trustee (assuming the Trustee is the registered holder) in connection with the previous distribution (or, respecting the first distribution, the principal balance of the MBS on its issue date).

For purposes of distribution, the Permanent Loan will be considered to have been prepaid in full if, in Fannie Mae’s reasonable judgment, the full amount finally recoverable on account of the Permanent Loan has been received, whether or not such full amount is equal to the stated principal balance of the Permanent Loan. See also “APPENDIX A — FANNIE MAE MORTGAGE-BACKED SECURITIES PROGRAM.”

### **FANNIE MAE**

The MBS, if issued by Fannie Mae and acquired by the Trustee as described herein, will be an obligation of Fannie Mae. **The securities of Fannie Mae, including the MBS, if issued, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than Fannie Mae.**

Information on Fannie Mae and its financial condition are contained in periodic reports that are filed with the Securities and Exchange Commission (the “SEC”). Fannie Mae’s SEC filings are available at the SEC’s website at [www.sec.gov](http://www.sec.gov) and are also available on Fannie Mae’s website at <http://www.fanniemae.com> or from Fannie Mae at the Office of Investor Relations at 202-752-7115.

### **SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS**

In order to secure the payment of the principal of, premium, if any, and interest on the Bonds, the Issuer has pledged to the Trust Estate for the Bonds, subject to terms and provisions of the Indenture, the following:

- (i) To the Holders of the Bonds, all right, title and interest of the Issuer in and to (a) amounts on deposit in the Bond Proceeds Fund, (b) amounts on deposit in the Revenue Fund, (c) amounts on deposit in the Negative Arbitrage, (d) amounts on deposit in the Collateral Fund, (e) the Bond Loan Note (except, in each case, the Reserved Rights of the Issuer) including all payments and proceeds with respect thereto or replacement thereof, and (f) the MBS issued by Fannie Mae and acquired by the Trustee, and all MBS Revenues;

(ii) All right, title and interest of the Issuer now owned or thereafter acquired in, to and under the Financing Agreement and the Regulatory Agreement (as hereinafter defined), except Reserved Rights (as hereinafter defined) of the Issuer; and

(iii) All funds, accounts and other property which by the express provisions of the Indenture is required to be subject to the lien of the Indenture, and any additional property that, from time to time, by delivery or by writing of any kind, may be subjected to the lien of the Indenture, by the Issuer or by anyone on its behalf, and the Trustee is authorized by the Indenture to receive the same at any time as additional security under; provided the Indenture, however, that the Trust Estate shall not include amounts on deposit in the Rebate Fund.

The foregoing pledge is made for the equal and proportionate benefit, security and protection of all present and future owners of the Bonds.

Prior to the delivery of the MBS, the Bonds will be secured by the deposit with the Trustee of the proceeds the Bonds and other Eligible Funds held under the Indenture by the Trustee in an aggregate amount equal to the outstanding principal amount of the Bonds. The Trustee will use Eligible Funds held under the Indenture along with interest earnings thereon to (a) pay principal, premium, if any, and interest on the Bonds when due, and (b) acquire, if and when issued, the MBS, upon satisfaction of the conditions set forth in the Indenture and the Permanent Lender Commitment.

It is anticipated that if the conditions to the issuance of the MBS are satisfied, the MBS will be available for acquisition by the Trustee on or before the MBS Delivery Date Deadline, as such date may be extended as provided in the Indenture. Following the delivery of the MBS to the Trustee, if delivered, payments of principal and interest on the Bonds will be payable from pass-through payments received by the Trustee on the MBS.

If the MBS is not acquired by the Trustee prior to the MBS Delivery Date Deadline (as such date may be extended pursuant to the Indenture), the Bonds will be redeemed from Eligible Funds held under the Indenture as set forth in Appendix C hereto.

## **PRIVATE PARTICIPANTS**

*The following information concerning the private participants has been provided by representatives of the private participants and has not been independently confirmed or verified by either the Remarketing Agent or the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.*

### **The Borrower**

The borrower for the Project is Pseudotsuga Apartments LLC, a Washington limited liability company (the “Borrower”). The Borrower is a single-purpose entity formed to acquire, construct, rehabilitate and operate the Project. The Borrower’s managing members are Root and Branch, a Washington nonprofit corporation (the “Co-Manager”), and Great Expectations SPC, a Washington social purpose corporation (the “Administrative Manager,” and together with the Co-Manager, the “Managing Member”).

The Borrower has not acquired and does not intend to acquire any substantial assets or engage in any substantial business activities other than those related to the Project. However, affiliates of the Borrower may engage in the acquisition, development, ownership and management of other similar types of projects that may be competitive with the Project.

### **The Developer**

The developer for the Project is Great Expectations SPC, a Washington social purpose corporation (the “Developer”), located in Seattle, Washington. The Developer was started in 2019 and has seven years of experience

in affordable housing development. The Developer has developed and rehabilitated 1,639 units in Washington and Oregon.

### **Limited Assets and Obligation of Borrower and Managing Member**

The Borrower has no substantial assets other than the Project and does not intend to acquire any other substantial assets or to engage in any substantial business activities other than those related to the ownership of the Project. However, the Managing Member and their affiliates are engaged in and will continue to engage in the acquisition, development, ownership and management of similar types of housing projects. They may be financially interested in, as officers, partners or otherwise, and devote substantial times to, business and activities that may be inconsistent or competitive with the interests of the Project.

The Borrower and its members will not be personally liable for payments on the Note, the payments on which are to be applied to pay the principal of and interest on the Bonds; nor will the Borrower be personally liable under the other documents executed in connection with the issuance of the Bonds and the making of the Loan. Furthermore, no representation is made that the Borrower will have substantial funds available for the Project. Accordingly, neither the Borrower's financial statements nor those of its members are included in this Remarketing Statement.

### **The Architect**

The architect for the Project is Milbrandt Architects (the "Architect"). The Architect is not an affiliate of the Developer. The Architect started in 1981 and demonstrates considerable multifamily housing experience. The Architect has designed the new construction or renovation of many rehabilitation, civic and commercial projects, with a focus on multifamily housing that is similar to the Project. The Architect's clients include large and small developers across multiple states, including California, Idaho, Oregon and Washington.

### **The General Contractor**

The general contractor for the Project is The Rush Companies (the "General Contractor"). The General Contractor is not an affiliate of the Developer. Based in Gig Harbor, Washington, the General Contractor was formed in 1987 and is a Washington-licensed contractor. Since inception, the General Contractor has built or rehabilitated over 5,000 units of multifamily housing.

### **The Property Manager**

The Borrower has entered into a management agreement with Arboreal Management (the "Property Manager") to manage the day-to-day operations of the Project. The Property Manager is an affiliate of the Developer. The Property Manager has been involved in the management of affordable housing since 2020. The Property Manager currently manages 6,328 apartment units in Washington and Oregon.

## **THE PROJECT**

*The following information concerning the Project has been provided by representatives of the Borrower and has not been independently confirmed or verified by either the Remarketing Agent or the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.*

The Project, known as Addison Grove, is located in unincorporated Pierce County, Washington, on an approximately 4.58-acre site. The Project contains 102 apartment units in four buildings located at 17753 78th Avenue East, Puyallup, WA 98375. Common area improvements will include: an approximately 2,000-square-foot club room and leasing office, walking paths, and a playground. Unit amenities include: high-quality durable finishes, patios and balconies, dishwashers and in-unit laundry. There are 185 parking spaces for resident use only.

It is anticipated that construction will commence within 45 days of the issuance of the Bonds and will be completed in approximately 16 months.

The unit type, the unit mix and approximate square footage and unit mix of the Project will be as follows:

<u>Unit Type</u>	<u>Number</u>	<u>Approximate Square Feet</u>
1 BD	12	625
2 BD	31	827
3 BD	47	864
4 BD	<u>12</u>	954
<b>Total</b>	<b>102</b>	

### Plan of Financing

The estimated sources and uses for the Project are projected to be approximately as follows:

<b>Sources of Funds*</b>	
Bonds	\$18,000,000
Subordinate Loan	13,410,000
Investor Equity	3,401,000
CHIP Grant	<u>700,000</u>
<b>Total</b>	<b><u>\$35,511,000</u></b>
<b>Uses of Funds*</b>	
Acquisition	\$2,750,000
Construction	22,865,000
Hard Cost Contingency	2,675,000
Developer Fee	1,210,000
Soft Costs	3,369,000
Financing Costs	<u>2,642,000</u>
<b>Total</b>	<b><u>\$33,511,000</u></b>

All costs of issuing the Bonds, including the Remarketing Agent's fee, will be paid by the Borrower.

*The Construction Loan.* The Project will utilize a construction loan in the principal amount of \$16,000,000 (the "Construction Loan"). The obligation to repay the Construction Loan will be set forth in a promissory note (the "Construction Loan Note") from the Borrower to the Construction Lender and will be repayable with the proceeds of the Permanent Loan. The Construction Loan Note will be secured by a mortgage against the Project. The Construction Loan Note will have a term of 30 months and bear interest at a rate equal to the one-month CME Term SOFR per annum plus 260 basis points (2.60%), with principal and interest not otherwise paid, due at maturity. The Construction Loan proceeds will be disbursed from time to time by the Construction Lender to the Trustee for deposit into the Collateral Fund to allow for a corresponding amount of Bond proceeds to be disbursed to the Project.

*The Permanent Loan and the Bonds.* The Project will utilize a mortgage loan (the "Permanent Loan") from the Permanent Lender. Upon satisfaction of the Conditions to Conversion, the Permanent Lender will make the Permanent Loan to the Borrower, the proceeds of which will be used to pay off a portion of the Construction Loan. The obligation to repay the Permanent Loan will be set forth in a promissory note (the "Mortgage Note") from the Borrower to the Permanent Lender, which Mortgage Note will have a term of not less than 84\* months, will bear interest at a rate of \_\_\_%\* and will amortize over 35 years. Following the MBS Delivery Date, payments on the Bonds will be payable by the Trustee from payments received by the Trustee pursuant to the MBS.

*The Subordinate Loan.* The Project will also utilize the Subordinate Loan in the principal amount of \$13,410,000. The obligation to repay the Subordinate Loan will be set forth in a promissory note (the "Subordinate Note") from the Borrower to the Washington State Housing Finance Commission, in its capacity as administrator of the WAFAM program, and the Subordinate Loan will be repayable out of cash flow and other non-Project sources on

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\* Preliminary; subject to change.

the terms and conditions set forth therein. The Subordinate Note will be secured by a subordinate mortgage against the Project subordinate to the Construction Loan. The Subordinate Note will have a term of 60 years and will bear interest at a rate of 1.5% per annum, with principal and interest not otherwise paid, due at maturity.

*The Investor Equity.* Contemporaneously with the issuance of the Bonds, the Investor Member expects to acquire a 90% ownership interest in the Borrower in exchange for equity contributions based on anticipated investment returns from the Project. In connection with such acquisition, the funding of the investor equity will total approximately \$3,401,000\*, fully funded on the Long-Term Mode Remarketing Date.

## **Project Regulation**

The Borrower intends to operate the Project as a qualified residential rental project in accordance with the provisions of Section 142(d) of the Code. Concurrently with the issuance of the Bonds, the Borrower and the Issuer will enter into the Regulatory Agreement (the “Regulatory Agreement”). Under the Regulatory Agreement, the Borrower will agree that, at all times during the Regulatory Period (as defined in the Regulatory Agreement), the Borrower will rent at least 40% of the units in the Project to persons whose adjusted family income (determined in accordance with the provisions of the Code) is no more than 60% of the area median income (adjusted for family size) (“AMI”). See “APPENDIX E – SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT” herein.

In addition to the rental restrictions imposed upon the Project by the Regulatory Agreement, the Project will be subject to other requirements of the WAFAM program, including being encumbered by a restrictive covenant, to be executed by the Borrower in connection with the Subordinate Loan. This will restrict the income levels of 90 of the residential units in the Project (the “WAFAM Units”), as follows: (i) 59 of the WAFAM Units shall be held available for rental to persons whose adjusted family income is equal to or less than 55% of the AMI adjusted for family size and the rents which may be charged for occupancy of such units will be restricted to not more than 30% of 50% of AMI, adjusted for family size and (ii) 31 of the Units shall be held available for rental to persons whose adjusted family income is equal to or less than 60% of the AMI adjusted for family size, and the rents which may be charged for occupancy of such units will be restricted to not more than 30% of 60% of AMI, adjusted for family size.

The Project will also be restricted by that certain Low Income Housing Covenant Agreement, by Borrower for the benefit of Pierce County, Washington, which will restrict 90 units in the Project to 60% of AMI and 12 units in the Project to 80% of AMI.

## **CERTAIN BONDHOLDERS’ RISKS**

*The purchase of the Bonds will involve a number of risks. The following is a summary, which does not purport to be comprehensive or definitive, of some of such risk factors.*

### **Limited Security; Investment of Funds**

The Bonds are special limited obligations of the Issuer payable solely from the Trust Estate, which includes certain funds pledged to and held by the Trustee pursuant to the Indenture.

The Bonds are offered solely on the basis of the amounts pledged to and held by the Trustee under the Indenture, together with investment earnings thereon, and, with respect to the Bonds, the MBS, and are not offered on the basis of the credit of the Borrower, the feasibility of the Project or any other security. As a consequence, limited information about the Project and no information about the financial condition or results of operations of the Borrower is included in this Remarketing Statement. The Bonds are offered only to investors who, in making their investment decision, rely solely on the amounts held under the Indenture, together with investment earnings thereon, and not on the credit of the Borrower, the feasibility of the Project or any other security.

The principal of, premium, if any, and interest on the Bonds are payable from and secured by certain revenues and funds pledged thereto under the Indenture, together with investment earnings thereon and, following the MBS

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\* Preliminary; subject to change.

Delivery Date, from payments on the MBS. On the date of delivery of the Bonds, an amount equal to the principal amount of the Bonds is to be deposited into the Bond Proceeds Fund. The Trustee is required to invest amounts held in the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund in Eligible Investments, as defined in the Indenture. See “APPENDIX C — SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE — Investment of Funds.” Failure to receive a return of the amounts so invested could affect the ability to pay the principal of and interest on the Bonds.

### **No Acceleration or Early Redemption Upon Loss of Tax Exemption on the Bonds**

The Borrower will covenant and agree, pursuant to the Regulatory Agreement, to comply with the provisions of the Code relating to the exclusion from gross income for federal income tax purposes of the interest payable on the Bonds. In particular, the Borrower is required to rent at least forty percent (40%) of the Project apartment units to certain qualified tenants whose income does not exceed sixty percent (60%) of the area average median income where the Project is located. The Borrower’s failure to comply with such provisions will not constitute a default under the Bonds and will not give rise to a redemption or acceleration of the Bonds and is not the basis for an increase in the rate of interest payable on the Bonds. Furthermore, the Borrower’s failure to comply with the Regulatory Agreement will not give rise to a prepayment or acceleration of amounts due under the MBS or the Mortgage, unless directed by Fannie Mae in its sole discretion. Consequently, interest on the Bonds may become includable in gross income for purposes of federal income taxation retroactive to the date of issuance of the Bonds by reason of the Borrower’s failure to comply with the requirements of federal tax law.

### **Payments Prior to MBS Delivery Date**

Prior to the MBS Delivery Date, payment of principal and interest, and the Borrower’s obligations with respect to principal and interest on the Bonds, will be primarily secured by and payable from Bond proceeds held in the Bond Proceeds Fund and moneys deposited into the Collateral Fund and the Revenue Fund, including the Negative Arbitrage Account therein. Although the Borrower will execute the Bond Loan Note to evidence its obligation to repay the loan evidenced thereby, it is not expected, prior to the MBS Delivery Date, that any revenues from the Project or other amounts, except moneys on deposit in the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund, will be available to satisfy that obligation. The Indenture requires the Trustee to verify, before any disbursement of funds from the Bond Proceeds Fund, that the sum of the funds on deposit in the Bond Proceeds Fund and the Collateral Fund is at least equal to the then-outstanding principal amount of the Bonds. Prior to the MBS Delivery Date, moneys on deposit in the Bond Proceeds Fund and the Negative Arbitrage Account of the Revenue Fund, and the interest earnings thereon will be sufficient to pay the debt service on the Bonds.

### **Permanent Loan Amount**

Based on current underwriting assumptions, the Permanent Lender Commitment amount is \$16,360,000\* which amount is \$1,640,000\* less than the principal amount of the Bonds. The Permanent Lender Commitment permits the actual Permanent Loan to be issued in an amount up to the principal amount of Bonds if certain conditions are satisfied upon Conversion however, there is no assurance that the underwriting will support the Permanent Lender Commitment amount, or an amount greater than the Permanent Lender Commitment amount if the other conditions to originating the Permanent Loan are satisfied. There will be a partial redemption of Bonds in the event that the Permanent Loan is originated and the MBS is delivered to the Trustee in an amount less than the then-outstanding principal amount of Bonds. See “DESCRIPTION OF THE BONDS—Mandatory Redemption on the MBS Delivery Date”.

### **Failure to Satisfy Conditions to Conversion**

The Borrower is required to satisfy, prior to the Termination Date, the Conditions to Conversion set forth in the Permanent Lender Commitment. If the Borrower fails to satisfy the Conditions to Conversion, the MBS will not be delivered, resulting in the mandatory redemption of the Bonds pursuant to the Indenture. See “DESCRIPTION OF THE BONDS – Mandatory Redemption of Bonds” herein.

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\* Preliminary; subject to change.

## **Mandatory Redemption of Bonds Prior to Maturity**

Pursuant to the Indenture, under certain circumstances, the Bonds may be subject to mandatory redemption prior to maturity. Please see “DESCRIPTION OF THE BONDS – Mandatory Redemption of Bonds” herein.

## **Eligible Investments**

Proceeds of the Bonds deposited into the Bond Proceeds Fund and Eligible Funds received by the Trustee for deposit into the Collateral Fund are required to be invested in Eligible Investments. See “APPENDIX B – DEFINITIONS OF CERTAIN TERMS” hereto for the definition of Eligible Investments. There can be no assurance that there will not be a loss resulting from any investment held for the credit of the Bond Proceeds Fund or the Collateral Fund, and any failure to receive a return of the amounts so invested could affect the ability to pay the principal of and interest on the Bonds.

## **Rating**

Prior to the MBS Delivery Date, the rating on the Bonds is based on the investment in Eligible Investments of amounts on deposit in the Collateral Fund and the Revenue Fund. If one or more of such investments fail to meet the rating criteria established in the definition of Highest Rating Category for Eligible Investments after their acquisition and prior to the MBS Delivery Date, such a change may result in a downgrade or withdrawal of the rating on the Bonds. Following the MBS Delivery Date, the rating on the Bonds is based on multiple factors, including the credit rating of Fannie Mae. Such rating reflects only the views of the Rating Agency, and an explanation of the significance of such rating may be obtained only from the Rating Agency. As of the Closing Date, the rating of Fannie Mae and the cashflow structure of the Bonds, as reviewed by the Rating Agency, meet the Rating Agency’s criteria necessary to obtain the rating set forth on the cover page hereof. In addition, as of the Closing Date, the cashflow structure of the Bonds does not meet the Rating Agency’s criteria for a higher rating on the Bonds in the event that Fannie Mae were rated at such higher level. No assurance can be made that the Rating Agency’s criteria will remain the same after the Closing Date. Any change (negative or positive) to the credit rating of Fannie Mae could result in a downgrade, upgrade or withdrawal of the rating on the Bonds based on the applicable criteria of the Rating Agency at such time.

## **Repayment of Permanent Loan**

The ability of the Borrower to pay the Permanent Loan is dependent on the revenues derived from the Project. Due to the inherent uncertainty of future events and conditions, no assurance can be given that revenues generated by the Project will be sufficient to pay expenses of the Project, including without limitation, debt service on the Permanent Loan, operating expenses, servicing fees, fees due to Fannie Mae, Trustee fees, and fees owed to the Issuer. The ability of the Project to generate sufficient revenues may be affected by a variety of factors including, but not limited to, completion of repairs to such Project, the maintenance of a sufficient level of occupancy, the ability to achieve increases in rents, the level of operating expenses, project management, adverse changes in applicable laws and regulations, general economic conditions and other factors in the surrounding market area for the Project. The Borrower intends to rent all of the units in the Project to persons or families of moderate and low income and the amount of rent that may be charged for such units may be materially less than market rates. In addition to these factors, other adverse events may occur from time to time which may have a negative impact on the occupancy level and rental income of the Project.

Failure of the Borrower to make payments when due under the Permanent Loan will result in an event of default under the Permanent Loan and the Financing Agreement and may result in a mandatory prepayment of all or a portion of the Bonds. The Permanent Loan will not be accelerated unless directed by Fannie Mae in its sole discretion in which case the Bonds will remain outstanding and will remain secured by the MBS guaranteed as to timely payment of principal and interest by Fannie Mae. See “SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS” herein. If Fannie Mae accelerates the Permanent Loan as a result of any event of default under the Permanent Loan, the Permanent Loan will be paid in full, and the stated principal balance of the MBS will be passed through to the holder of the MBS. In this case, no yield maintenance or other prepayment premiums will be payable to the Trustee as holder of the MBS.

The Permanent Loan is a non-recourse obligation of the Borrower with respect to which neither the Borrower nor its partners have personal liability and as to which the Borrower and its partners have not pledged for the benefit of the Permanent Lender any of their respective assets, other than the Project and its rents, profits and proceeds.

For purposes of distribution, the Permanent Loan will be considered to have been prepaid in full if, in Fannie Mae's reasonable judgment, the full amount finally recoverable on account of the Permanent Loan has been received, whether or not such full amount is equal to the stated principal balance of the Permanent Loan. See also "THE PERMANENT LOAN – MBS Payments."

### **Payments on the Bonds Made From Payments Received on MBS**

As described elsewhere herein, following the MBS Delivery Date, principal, premium, if any, and interest on the Bonds will be paid to registered owners thereof from principal, premium, if any, and interest payments received by the Trustee pursuant to the MBS. Although interest accrues on the MBS during a calendar month, the Trustee will not receive such payment on the MBS until the 25th day in the following calendar month, or the next succeeding Business Day if such day is not a Business Day.

### **MBS Certificate**

If the MBS is issued by Fannie Mae and acquired by the Trustee as collateral for the Bonds, Fannie Mae's obligations will be solely as provided in the MBS and in the Fannie Mae MBS Prospectus and the related form of Prospectus Supplement for MBS Certificate. The obligations of Fannie Mae under the MBS will be obligations solely of Fannie Mae, a federally chartered corporation, and will not be backed by the full faith and credit of the United States of America. The Bonds are not and will not be a debt of the United States of America or any other agency or instrumentality of the United States of America or of Fannie Mae. The Bonds are not and will not be guaranteed by the full faith and credit of Fannie Mae or the United States of America.

It is possible, in the event of the insolvency of Fannie Mae, or the occurrence of some other event precluding Fannie Mae from honoring its obligations to make payments as stated in the MBS, if issued, that the financial resources of the Borrower will be the only source of payment on the Bonds. There can be no assurance that the financial resources of the Borrower will be sufficient to pay the principal of, premium, if any, and interest on the Bonds in the event the Trustee is forced to seek recourse against the Borrower. See "SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS" herein.

### **Performance of the Project and Estimated Rental Revenue Vacancies**

The economic feasibility of the Project depends in large part upon the Project's being substantially occupied at rentals adequate to maintain substantial occupancy throughout the term of the Bonds at sufficient rents and to cover all operating expenses of the Project and debt service on the Permanent Loan. Although representatives of the Borrower believe, based on surveys of the area where the Project is located, that a substantial number of persons currently need housing facilities such as the Project, occupancy of the Project may be affected by competition from existing housing facilities or from housing facilities which may be constructed in the area served by the Project. While the Borrower believes the Project is needed, there may be difficulties in keeping it substantially occupied. Furthermore, no assurance can be given that the low-income tenants are able to afford the rental rates of the Project, notwithstanding the below-market rental rates. Restrictions imposed under the Code on tenant income and the rent that can be charged could have an adverse effect on the Borrower's ability to satisfy its obligations under the Financing Agreement, especially if operating expenses should increase beyond what was anticipated.

### **Limited Liability of Issuer**

Notwithstanding anything in the Indenture or in the Bonds, the Issuer shall not be required to advance any money derived from any source other than the Trust Estate, consisting of MBS Revenues and other assets pledged under the Indenture for any of the purposes of the Indenture.

No agreements or provisions contained in the Indenture, nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with the Project, or the issuance, sale and delivery of the Bonds shall give rise to any pecuniary liability of the Issuer or a charge against its general credit, or shall obligate the Issuer financially in any way except from the application of the Trust Estate, consisting of MBS Revenues and other proceeds pledged to the payment of the Bonds and the proceeds of the Bonds. No failure of the Issuer to comply with any term, condition, covenant or agreement in the Indenture or in any document executed by the Issuer in connection with the Project, or the issuance, sale and delivery of the Bonds shall subject the Issuer to liability for any claim for damages, costs or other financial and pecuniary charge except to the extent that the same can be paid or recovered from the Financing Agreement or the Trust Estate, consisting of MBS Revenues and other assets pledged to the payment of the Bonds or the proceeds of the Bonds. THE ISSUER HAS NO TAXING POWER.

### **Secondary Markets and Prices**

No representation is made concerning the existence of any secondary market for the Bonds. The Remarketing Agent will not be obligated to repurchase any of the Bonds, nor can any assurance be given that any secondary market will develop following the completion of the offering of the Bonds. Further, there can be no assurance that the initial offering prices for the Bonds will continue for any period of time. Furthermore, the Bonds should be purchased for their projected returns only and not for any resale potential, which may or may not exist.

### **Future Legislation; IRS Examination**

The Project, its operation and the treatment of interest on the Bonds are subject to various laws, rules and regulations adopted by the local, State and federal governments and their agencies. There can be no assurance that relevant local, State or federal laws, rules and regulations will not be amended or modified or interpreted in the future in a manner that could adversely affect the Bonds, the Trust Estate created under the Indenture, the Project, or the financial condition of or ability of the Borrower to comply with its obligations under the various transaction documents.

In recent years, the Internal Revenue Service (the “IRS”) has increased the frequency and scope of its examination and other enforcement activity regarding tax exempt bonds. Currently, the primary penalty available to the IRS under the Code is a determination that interest on bonds is subject to federal income taxation. Such event could occur for a variety of reasons, including, without limitation, failure to comply with certain requirements imposed by the Code relating to investment restrictions, periodic payments of arbitrage profits to the United States of America, the timely and proper use of Bond proceeds and the facilities financed therewith and certain other matters. See “TAX MATTERS” herein. No assurance can be given that the IRS will not examine the Issuer, the Borrower, the Project or the Bonds. If the Bonds are examined, it may have an adverse impact on their price and marketability.

### **Potential Impact of Pandemics or Public Health Crises**

The spread of the strain of a virus and resulting disease could alter the behavior of businesses and people in a manner that could have negative effects on global, state and local economies. There can be no assurances that the spread of a pandemic would not materially impact both local and national economies and, accordingly, have a materially adverse impact on the Project’s operating and financial viability. The effects of a pandemic could include, among other things, an increase in the time necessary to complete the construction and/or rehabilitation of the Project, suspension or delay of site inspections and other on-site meetings, interruption in the engagement of material participants in the Project, increase in the time necessary to conduct lease-up at the Project, and increased delinquencies and/or vacancies, all of which could impact the Borrower’s ability to make payments on the loans and result in a default and acceleration thereof.

### **Limitation of Remedies**

Remedies available under the Indenture, the Financing Agreement, and the Regulatory Agreement are limited in certain respects. See “ENFORCEABILITY OF REMEDIES” herein.

## Summary

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Remarketing Statement and the Appendices hereto.

## TAX MATTERS

*Legal matters incident to the authorization, validity and issuance of the Bonds are subject to the unqualified approving opinion of Pacifica Law Group LLP, Bond Counsel, whose opinion was delivered at the initial closing of the Bonds. A complete copy of the Bond Counsel opinion is contained in Appendix I-1 hereto. It is anticipated that an opinion in substantially the form attached to this Remarketing Statement as Appendix I-2 will be delivered in connection with the Remarketing Date.*

### General

In the opinion of Bond Counsel, under existing law and subject to certain qualifications described below, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except during any period while a Bond is held by a "substantial user" of the facilities financed by the Bonds or by a "related person" within the meaning of Section 147(a) of the Code. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on certain corporations. A complete copy of the opinion of Bond Counsel is attached hereto at Appendix I-1, together with a form of no adverse effect opinion of Bond Counsel attached hereto as Appendix I-2.

The Code contains a number of requirements that apply to the Bonds, and the Issuer and the Borrower have made certain representations and have covenanted to comply with each such requirement. Bond Counsel's opinion assumes the accuracy of the representations made by the Issuer and the Borrower and is subject to the condition that the Issuer and the Borrower comply with the above-referenced covenants. If the Issuer or the Borrower fails to comply with such covenants or if the Issuer's or the Borrower's representations are inaccurate or incomplete, interest on the Bonds could be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Except as expressly stated herein, Bond Counsel expresses no opinion regarding any tax consequences related to the ownership, sale or disposition of the Bonds (including purchase or sale at a premium or discount), or the amount, accrual or receipt of interest on, the Bonds. Owners of the Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds.

### Original Issue Premium and Discount

If the initial offering price to the public at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes. If the initial offering price to the public at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes.

Under the Code, original issue discount is treated as interest excluded from federal gross income to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original

issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under the federal alternative minimum tax.

Under the Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to federal income tax consequences of owning such Bonds.

### **Post Issuance Matters**

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Issuer or the Borrower, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS.

Bond Counsel's engagement with respect to the Bonds ends with the issuance and Long-Term Remarketing of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Issuer or the Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Issuer, the Borrower and their appointed counsel, including the Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Issuer or the Borrower legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Issuer or the Owners to incur significant expense.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

### **Not Bank Qualified**

The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code.

### **State Income Tax**

In 2026, the State Legislature enacted Engrossed Substitute Senate Bill 6346 ("ESSB 6346"), imposing a 9.9 percent tax on individual income exceeding \$1,000,000 annually. The State has imposed the tax beginning January 1, 2028. Pursuant to Section 303 of ESSB 6346, interest on certain obligations of the State or political subdivisions of the State, including the Bonds, is excludable from taxable income.

## NO LITIGATION

### The Issuer

There is no proceeding or litigation of any nature now pending or threatened against the Issuer restraining or enjoining the issuance, sale, execution or delivery of the Bonds or the Financing Documents to which the Issuer is a party, or in any way contesting or affecting the validity of the Bonds, any proceedings of the Issuer taken with respect to the issuance or sale thereof, the pledge or application of any money or security provided for the payment of the Bonds, the existence or powers of the Issuer relating to the Bonds or the title of any officers of the Issuer to their respective positions.

### The Borrower

There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or, to the best knowledge of the Borrower, threatened against or affecting the Borrower or any member of the Borrower, in their respective capacities as such, nor, to the knowledge of the Borrower, any basis therefor, (i) which would restrain or enjoin the issuance or delivery of the Bonds, the use of this Remarketing Statement in the marketing of the Bonds or the collection of revenues pledged under or pursuant to the Indenture, (ii) which would in any way contest or affect the organization or existence of the Borrower or the entitlement of any officer of the Borrower to its position, (iii) which would contest or have a material and adverse effect upon (A) the due performance by the Borrower of the transactions contemplated by this Remarketing Statement, (B) the validity or enforceability of the Bonds or any other agreement or instrument to which the Borrower is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby and thereby, (C) the exclusion from gross income for federal income tax purposes of the interest on the Bonds or (D) the financial condition or operations of the Borrower, (iv) which contests in any way the completeness or accuracy of this Remarketing Statement or (v) which questions the power or authority of the Borrower to carry out the transactions on its part contemplated by this Remarketing Statement, or the power of the Borrower to own or operate the Project. The Borrower is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

## CERTAIN LEGAL MATTERS

The validity of the Bonds and certain other legal matters are subject to an approving opinion of Pacifica Law Group LLP, Seattle, Washington, Bond Counsel to the Issuer. A complete copy of the Bond Counsel opinion is contained in Appendix I-1 hereto. Certain legal matters will be passed upon for the Borrower by its counsel, Peterson Russell Kelly Livengood PLLC, Bellevue, Washington, and for the Remarketing Agent by its counsel, Tiber Hudson LLC, Washington, D.C. Payment of the fees of certain counsel to the transaction is contingent upon the issuance and delivery of the Bonds as described herein.

## REMARKETING

Pursuant and subject to the terms and conditions set forth in the Bond Purchase Agreement (the "Bond Purchase Agreement"), among Stifel, Nicolaus & Company, Incorporated (the "Remarketing Agent"), the Issuer and the Borrower, and the Remarketing Agreement (the "Remarketing Agreement") among the Remarketing Agent and the Borrower, the Remarketing Agent has agreed to purchase the Bonds at the price set forth on the cover page hereof. For its services relating to the transaction, the Remarketing Agent will receive a fee of \$\_\_\_\_\_ plus \$\_\_\_\_\_, payable in immediately available funds on the Long-Term Mode Remarketing Date, from which the Remarketing Agent shall pay certain fees and expenses relating to the issuance of the Bonds[, plus an additional amount of \$\_\_\_\_\_ (the "Remarketing Agent's Advance") for initial deposits established under the Indenture]. The Remarketing Agent's fee shall not include the fee of its counsel. [The Borrower will reimburse the Remarketing Agent for the Remarketing Agent's Advance on or before the Long-Term Mode Remarketing Date.]

The Remarketing Agent's obligations are subject to certain conditions precedent, and the Remarketing Agent will purchase all the Bonds, if any are purchased. Pursuant to the Bond Purchase Agreement and the Remarketing Agreement, the Borrower has agreed to indemnify the Remarketing Agent and the Issuer against certain civil

liabilities, including liabilities under federal securities laws. It is intended that the Bonds will be offered to the public initially at the offering prices set forth on the cover page hereof and that such offering prices subsequently may change without any requirement of prior notice. The Remarketing Agent may offer the Bonds to other dealers at prices lower than those offered to the public.

The Remarketing Agent does not guarantee a secondary market for the Bonds and is not obligated to make any such market in the Bonds. No assurance can be made that such a market will develop or continue. Consequently, investors may not be able to resell Bonds should they need or wish to do so for emergency or other purposes.

The Remarketing Agent and its affiliates comprise a full-service financial institution engaged in activities which may include securities sales and trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Remarketing Agent and its affiliates may have provided, and may in the future provide, a variety of these services to the Issuer and/or the Borrower and to persons and entities with relationships with the Issuer and/or the Borrower, for which they received or will receive customary fees and expenses. The Remarketing Agent is not acting as financial advisor to the Issuer or the Borrower in connection with the offer and sale of the Bonds.

In the ordinary course of these business activities, the Remarketing Agent and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer and/or the Borrower (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and/or the Borrower.

The Remarketing Agent and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer.

## **RATING**

Moody's Investors Service, Inc., a Delaware corporation (the "Rating Agency"), has assigned to the Bonds the rating set forth on the cover page hereof. An explanation of the significance of such rating may be obtained from the Rating Agency. The rating of the Bonds reflects only the views of the Rating Agency at the time such rating was given, and neither the Issuer nor the Borrower nor the Remarketing Agent makes any representation as to the appropriateness of the rating. The rating is not a recommendation to buy, sell, or hold the Bonds. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the Rating Agency, if in its judgment, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

## **CONTINUING DISCLOSURE**

The Borrower, as the only "obligated person" with respect to the Bonds, will enter into a Continuing Disclosure Agreement, dated as of April 1, 2026 (the "Continuing Disclosure Agreement"), with U.S. Bank Trust Company, National Association, acting as Dissemination Agent, pursuant to which the Borrower will agree to provide ongoing disclosure pursuant to the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission (the "Rule"). Financial statements will be provided at least annually to the Municipal Securities Rulemaking Board (the "MSRB") and notices of certain events will be issued pursuant to the Rule. Information will be filed with the MSRB through its Electronic Municipal Market Access ("EMMA") system, unless otherwise directed by the MSRB. A form of the Continuing Disclosure Agreement is attached hereto as Appendix G.

A failure by the Borrower to comply with the provisions of the Continuing Disclosure Agreement will not constitute a default under the Financing Agreement (although Bondholders will have any available remedy at law or in equity for obtaining necessary disclosures). Nevertheless, such a failure to comply is required to be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before

recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds.

The Borrower has not previously been subject to the continuing disclosure requirements of the Rule.

### **THE TRUSTEE**

*The information under this heading has been provided solely by the Trustee and is believed to be reliable, but has not been verified independently by the Issuer or the Remarketing Agent. No representation whatsoever as to the accuracy, adequacy or completeness of such information is made by the Issuer or the Remarketing Agent.*

The Issuer has appointed U.S. Bank Trust Company, National Association as Trustee under the Indenture. The Trustee is a national banking association organized and existing under the laws of the United States of America, having all of the powers of a bank, including fiduciary powers, and is a member of the Federal Deposit Insurance Corporation and the Federal Reserve System.

The Trustee is to carry out such duties as are assigned to it under the Indenture, the Financing Agreement, and the other Financing Documents. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Remarketing Statement and assumes no responsibility for the nature, contents, accuracy or completeness of the information set forth in this Remarketing Statement or for the recitals contained in the Indenture or the Bonds (except for the certificate of authentication on each Bond), or for the validity, sufficiency, or legal effect of any of such documents.

Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application of any of the Bonds authenticated or delivered pursuant to the Indenture or for the use or application of the proceeds of such Bonds. The Trustee has not evaluated the risks, benefits, or propriety of any investment in the Bonds and makes no representation, and has reached no conclusions, regarding the value or condition of any assets or revenues pledged or assigned as security for the Bonds, the technical or financial feasibility of the expected uses of proceeds of the Bonds or the investment quality of the Bonds, about all of which the Trustee expresses no opinion and expressly disclaims the expertise to evaluate.

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the Trustee, the Issuer and the Bondholders upon an Event of Default under the Indenture, the Financing Agreement or the Regulatory Agreement are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, including specifically the Federal Bankruptcy Code, the remedies provide for under the Indenture, the Financing Agreement or the Regulatory Agreement may not be readily available or may be limited.

In addition, the Financing Agreement provides that the payment obligations of the Borrower contained therein (other than certain obligations to the Issuer and the Trustee) will be limited obligations payable solely from the income and assets of the Borrower, and that no member of the Borrower will have any personal liability for the satisfaction of any payment obligation of the Borrower under such agreements or of any claim against the Borrower arising out of such agreements or the Indenture.

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State and the United States of America and bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

### **RELATIONSHIP AMONG PARTIES**

In connection with the issuance of the Bonds, the Issuer, the Borrower, and the Remarketing Agent are being represented by the attorneys or law firms identified herein. In other transactions not related to the Bonds, each of

these attorneys or law firms may have acted as bond counsel or represented the Issuer, the Remarketing Agent, the Borrower, or their affiliates, in capacities different from those described herein, and there will be no limitations imposed as a result of the issuance of the Bonds on the ability of any of those attorneys or firms to act as bond counsel or represent any of these parties in any future transactions. Potential purchasers of the Bonds should not assume that the Issuer, the Remarketing Agent, the Borrower, or their respective counsel or Bond Counsel have not previously engaged in, or will not after the issuance of the Bonds engage in, other transactions with each other or with affiliates of any of them, and no assurance can be given that there are or will be no past or future relationships or transactions between or among any of these parties or these attorneys or law firms.

#### **ADDITIONAL INFORMATION**

Any statements in this Remarketing Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Remarketing Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or holders of any of the Bonds.

The summaries and explanation of, or references to, the Act, the Indenture and the Bonds included in this Remarketing Statement do not purport to be comprehensive or definitive. Such summaries, explanations and references are qualified in their entirety by reference to each such document, copies of which are on file with the Trustee.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final Remarketing Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

This Remarketing Statement has been deemed final in accordance with the Rule. The execution and delivery of this Remarketing Statement has been duly authorized by the Borrower.

[Signature pages to follow]

IN WITNESS WHEREOF, the foregoing Remarketing Statement has been executed by the undersigned as of the date first written above.

**PSEUDOTSUGA APARTMENTS LLC,**  
a Washington limited liability company

By: Root and Branch,  
a Washington nonprofit corporation  
Its: Co-Manager

By: \_\_\_\_\_  
Benjamin Maritz  
Secretary

By: Great Expectations SPC,  
a Washington social purpose corporation  
Its: Administrative Manager

By: \_\_\_\_\_  
Benjamin Maritz  
Managing Director

[Issuer Signature Page to Remarketing Statement]

**WASHINGTON STATE HOUSING FINANCE  
COMMISSION, as Issuer**

By: \_\_\_\_\_  
Steve Walker  
Executive Director

**APPENDIX A**  
**FANNIE MAE MORTGAGE-BACKED SECURITIES PROGRAM**

*This summary of the Fannie Mae Mortgage Backed Securities Program, the Fannie Mae Certificates and the documents referred to herein has not been provided or approved by Fannie Mae, does not purport to be comprehensive and is qualified in its entirety by reference to the Fannie Mae MBS Prospectus (Multifamily Fixed-Rate Yield Maintenance) for Guaranteed Mortgage Pass-Through Certificates (the “Fannie Mae MBS Prospectus”) which will be available and can be found if and when the MBS is issued, by inputting the CUSIP shown in Appendix H hereto into Fannie Mae’s multifamily disclosure system, DUS Disclose (<https://mfdusdisclose.fanniemae.com/#/home>). The template for the Fannie Mae MBS Prospectus, as of the date of this Official Statement can be found at <https://capitalmarkets.fanniemae.com/media/26581/display>. The template for the Fannie Mae MBS Prospectus may change from time to time. The Fannie Mae MBS Prospectus, if and when available, will consist of the template for the Fannie Mae MBS Prospectus applicable at the time of the issuance of the MBS with the cover page completed with the MBS-specific information, an Additional Disclosure Addendum substantially in the form attached as Schedule I to this Appendix A, and an Annex A containing information substantially consistent with the Term Sheet attached hereto as Appendix H, assuming that the Permanent Loan is originated in the maximum amount of the Permanent Lender Commitment without any modification or amendment to any of the conditions to the origination of the Permanent Loan in the Permanent Lender Commitment. **THERE CAN BE NO ASSURANCE, GUARANTEE OR REPRESENTATION, HOWEVER, AS TO THE FORM OF THE FANNIE MAE MBS OR THE CONTENTS OF THE FANNIE MAE PROSPECTUS OR EVEN WHETHER OR NOT A PROSPECTUS OR ANY DISCLOSURE RELATING TO THE FANNIE MAE MBS WILL BE PROVIDED IF AND WHEN THE FANNIE MAE MBS IS ISSUED, WHICH COULD BE THIRTY (30) MONTHS OR MORE FROM THE DATE OF THIS REMARKETING STATEMENT. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE ORIGINATION OF THE PERMANENT LOAN AND THE ISSUANCE OF THE FANNIE MAE MBS, ARE SUBJECT TO SIGNIFICANT CONDITIONS RELATING TO THE CONSTRUCTION, FINANCING AND LEASING OF THE PROJECT BY NO LATER THAN THE TERMINATION DATE.***

Security..... Guaranteed Mortgage Pass-Through Certificates (Multifamily Residential Mortgage Loans)

General ..... Fannie Mae is a government-sponsored enterprise that was established by the U.S. Congress in 1938 under the name “Federal National Mortgage Association” to support liquidity and stability in the secondary mortgage market, where existing mortgage loans are purchased and sold. The address of its principal office is 1100 15th Street, NW, Washington, DC 20005; the telephone number is 800-2FANNIE (800-232-6643).

Fannie Mae has been under conservatorship since September 6, 2008. The conservator, the Federal Housing Finance Agency (“FHFA”), succeeded to all rights, titles, powers and privileges of Fannie Mae and of any shareholder, officer or director of the company with respect to the company and its assets. For additional information on the conservatorship, see “**FANNIE MAE — Regulation and Conservatorship**” in the Fannie Mae MBS Prospectus.

Fannie Mae’s regulators include FHFA, the U.S. Department of Housing and Urban Development (“HUD”), the Securities and Exchange Commission (the “SEC”), and the U.S. Department of the Treasury (the “Treasury”). The Office of Federal Housing Enterprise Oversight, the predecessor of FHFA, was Fannie Mae’s safety and soundness regulator prior to enactment of the Federal Housing Finance Regulatory Reform Act of 2008.

On September 7, 2008, Fannie Mae entered into a senior preferred stock purchase agreement with the Treasury pursuant to which Fannie Mae issued to it one million shares of senior preferred stock and a warrant to purchase, for a nominal price, shares of common stock equal to 79.9% of the outstanding common stock of Fannie Mae. **Nevertheless, Fannie Mae alone is responsible for making payments under its guaranty. The MBS if issued by Fannie Mae and acquired by the Trustee and payments of principal and interest on the MBS will not be guaranteed by the United States and do not constitute a debt or obligation of the United States or any of its agencies or instrumentalities other than Fannie Mae.**

Sponsor and Depositor .....	Fannie Mae is the sponsor of this offering of certificates and the depositor of the mortgage loans into the trust.
Description of MBS.....	The MBS if issued by Fannie Mae and acquired by the Trustee will represent a pro rata undivided beneficial ownership interest in (i) the Permanent Loan or (ii) the pool of mortgage loan participation interests that comprise the trust. See “THE PERMANENT LOAN” in the Remarketing Statement. Fannie Mae will issue the MBS in book-entry form on the book-entry system of the U.S. Federal Reserve Banks. The book-entry MBS will not be convertible into physical certificates.
Minimum Denomination .....	Fannie Mae will issue the MBS in minimum denominations of \$1,000, with additional increments of \$1.
Issue Date .....	The date specified on the front cover page, which is the first day of the month in which the MBS is issued.
Settlement Date .....	The date specified on the front cover page, which is a date no later than the last business day of the month in which the issue date occurs.
Distribution Date .....	The “Distribution Date” is the 25th day of each month which is the date designated for payments to the Trustee as holder of the MBS, if issued. If that day is not a Business Day, payments will be made on the next Business Day. The first Distribution Date for the MBS will occur in the month following the month in which the MBS is issued. For example, if the issue date is January 1st, the first distribution date is February 25th or, if February 25th is not a Business Day, the first Business Day following February 25th.
Maturity Date .....	The date specified on the front cover page, which is the date that the final payment is due on the last mortgage loan remaining in the pool.
Use of Proceeds .....	The MBS is backed by a pool of one or more mortgage loans that Fannie Mae recently acquired or already owned. Fannie Mae is issuing the MBS either in exchange for the recently acquired mortgage loans or for cash proceeds that are generally used for purchasing other mortgage loans or for general corporate purposes.
Interest.....	On each Distribution Date, Fannie Mae will pass through on the MBS, if issued, one month’s interest at the fixed “Pass-Through Rate”.

Because Fannie Mae’s guaranty requires it to supplement amounts received by the trust as required to permit timely payment of interest, the amount of interest distributed to certificateholders on a Distribution Date will not be affected by any loss mitigation measure, taken with respect to, or other loan modification made to, the Permanent Loan while it remains in the trust.

As described under the caption “**MATERIAL FEDERAL INCOME TAX CONSEQUENCES**” which can be found at <https://capitalmarkets.fanniemae.com/media/26581/display>, the MBS and payments on the MBS, including interest payments thereon, are subject to federal income taxation. Such interest payments only become excluded from gross income for federal income tax purposes and excluded from taxation by the State, to the extent described elsewhere herein, when applied by the Trustee to pay interest due on the Bonds. See “TAX MATTERS” in the Remarketing Statement herein.

Principal .....

Fannie Mae will receive collections on the Permanent Loan on a monthly basis. The period Fannie Mae uses to differentiate between collections in one month and collections in another month is called the due period. The due period is the period from and including the second calendar day of the preceding month in which the Distribution Date occurs to and including the first calendar day of the month in which the Distribution Date occurs.

On each Distribution Date, Fannie Mae will pass through principal of the MBS, if issued, as follows:

- the aggregate amount of the scheduled principal due on the Permanent Loan in the pool during the related due period; and
- the aggregate amount of all unscheduled principal payments received as specified below:
  - the stated principal balance of the Permanent Loan as to which prepayments in full were received during the calendar month immediately preceding the month in which that Distribution Date occurs;
  - the stated principal balance of the Permanent Loan if it was purchased from the pool during the calendar month immediately preceding the month in which that Distribution Date occurs; and
  - the amount of any partial prepayments on the Permanent Loan that were received during the calendar month immediately preceding the month in which that Distribution Date occurs.

Because Fannie Mae’s guaranty requires it to supplement amounts received by the trust as required to permit timely payment of the principal amounts specified above, the amount of principal distributed to certificateholders on a Distribution Date will **not** be affected by any loss mitigation measure, taken with respect to, or other loan modification made to, the Permanent Loan while it remains in the trust.

Fannie Mae may treat a prepayment in full received on the first Business Day of a month as if the prepayment were received on the last Business Day of the preceding month. If Fannie Mae does so, it passes through these prepayments on the Distribution Date in the same month in which the prepayment actually was received. For example, if a prepayment on the Permanent Loan in full is actually received on the first Business Day of January, it would be treated as if it had been received on the last Business Day of December and, therefore, would be passed through on January 25 (or the next Business Day, if January 25 is not a Business Day).

The Permanent Loan permits the reamortization of principal after a permitted voluntary prepayment or an involuntary partial prepayment caused by the receipt of proceeds from insurance or condemnation. A reamortization of the Permanent Loan will cause a change in the amount of principal that is passed through to holders of the MBS.

Monthly Pool Factors ..... On or about the fourth Business Day of each month, Fannie Mae publishes the monthly pool factor for each issuance of its certificates. If an investor multiplies the monthly pool factor by the original principal balance of the MBS, the investor will obtain the current principal balance of the MBS, after giving effect to the monthly principal payment to be passed through on the Distribution Date in that month. The most current pool factor is generally available through DUS Disclose on Fannie Mae’s Website at <https://mfdusdisclose.fanniemae.com/#/home>.

Guaranty ..... Fannie Mae guarantees to each trust that on each Distribution Date it will supplement amounts received by the trust as required to permit payments on the MBS in an amount equal to:

- the aggregate amounts of scheduled and unscheduled principal payments described in “—Principal” above, and
- an amount equal to one month’s interest on the MBS, as described in “—Interest” above.

In addition, Fannie Mae guarantees to the related trust that it will supplement amounts received by the trust as required to make the full and final payment of the unpaid principal balance of the related certificates on the Distribution Date in the month of the maturity date specified in the prospectus supplement.

Certificateholders have certain limited rights to bring proceedings against the Treasury if Fannie Mae fails to pay under its guaranty. The total amount that may be recovered from the Treasury is subject to limits imposed in the senior preferred stock purchase agreement. For a description of certificateholders’ rights to proceed against Fannie Mae and the Treasury, see “**FANNIE MAE—Certificateholders’ Rights Under the Senior Preferred Stock Purchase Agreement**” in the Fannie Mae MBS Prospectus.

Prepayments .....	A borrower may voluntarily prepay the loan in full. Except during the open period, each mortgage loan in the pool requires payment of a prepayment premium if the loan is prepaid voluntarily, as disclosed on Annex A. A portion of the prepayment premium, if collected, may be shared with certificateholders under the circumstances described in “ <b>YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS—Maturity and Prepayment Considerations—Prepayment of a Mortgage Loan</b> ” in the Fannie Mae MBS Prospectus. <b>Fannie Mae does not guarantee to any trust the payment of any prepayment premiums.</b>
Master Servicing/Servicing .....	Fannie Mae is responsible as master servicer for certain duties. Fannie Mae has contracted with the mortgage servicer identified on Annex A to perform servicing functions for us subject to our supervision. Fannie Mae refers to this servicer or any successor servicer as its primary servicer. In certain limited circumstances, Fannie Mae may act as primary servicer. For a description of Fannie Mae’s duties as master servicer and the responsibilities of its primary servicer, see “ <b>THE TRUST DOCUMENTS—Collections and Other Servicing Practices</b> ” and “ <b>FANNIE MAE PURCHASE PROGRAM—Servicing Arrangements</b> ” in the Fannie Mae MBS Prospectus.
Business Day .....	Any day other than a Saturday or Sunday, a day when the fiscal agent or paying agent is closed or is authorized or obligated by law or executive order to remain closed, a day when the Federal Reserve Bank of New York is closed or is authorized or obligated by law or executive order to remain closed, or, for purposes of withdrawals from a certificate account, a day when the Federal Reserve Bank is closed or is authorized or obligated by law or executive order to remain closed in the district where the certificate account is maintained if the related withdrawal is being made from that certificate account.
Trust Documents .....	If issued, the MBS will be issued pursuant to the applicable Trust Agreement relating to the MBS issued at that time, as supplemented by a trust issue supplement for that issuance. Certain pertinent provisions of the trust agreement in the Fannie Mae MBS Prospectus will apply. Investors should refer to the trust agreement and the related trust issue supplement for a complete description of their rights and obligations as well as those of Fannie Mae in its various capacities. The current form of the trust agreement, as of the date hereof, may be found on Fannie Mae’s website: <a href="http://www.fanniemae.com">http://www.fanniemae.com</a> .
Trustee .....	Fannie Mae serves as the trustee for the trust pursuant to the terms of the trust agreement and the related trust issue supplement.
Paying Agent .....	An entity designated by Fannie Mae to perform the functions of a paying agent. The Federal Reserve Bank of New York currently serves as Fannie Mae’s paying agent for certificates such as the MBS.
Fiscal Agent .....	An entity designated by Fannie Mae to perform certain administrative functions for the trust. The Federal Reserve Bank of New York currently serves as Fannie Mae’s fiscal agent for certificates such as the MBS.

Multifamily Mortgage Loan Pool. Each mortgage loan in the pool is a fixed-rate loan included in one of the following categories:

- Fixed-rate loans with monthly payments of interest only during their entire loan terms, with a balloon payment of all outstanding principal at maturity;
- Fixed-rate loans with monthly payments of interest only during specified initial periods, followed by monthly payments of principal and interest for their remaining loan terms, with a balloon payment of all outstanding principal at maturity;
- Fixed-rate loans with monthly payments of interest only during specified initial periods, followed by monthly payments of principal and interest that fully amortize over their remaining loan terms;
- Fixed-rate loans with monthly payments of interest and principal during their entire loan terms, with a balloon payment of all outstanding principal at maturity; and
- Fixed-rate loans with monthly payments of interest and principal that fully amortize over their loan terms.

Multifamily Mortgage Loans..... Each mortgage loan in the pool was acquired from a multifamily mortgage loan seller that Fannie Mae has approved. A mortgage loan may have been originated by the seller or may have been acquired by the seller from the originator of the loan, which may or may not be an approved mortgage loan seller. Each mortgage loan that Fannie Mae acquires either meets its published standards or is reviewed by Fannie Mae before delivery to determine its suitability. Fannie Mae may modify its standards or permit waivers on specific transactions from time to time.

Types of Property ..... Each mortgage loan in the pool is secured by a lien on one or more of the following types of property:

- Multifamily residential properties;
- Cooperative housing projects;
- Dedicated student housing;
- Manufactured housing communities;
- Military housing; or
- Seniors housing

Annex A discloses the type of property securing each mortgage loan in the pool and the priority of each lien. Any type of property may also be considered affordable housing; Annex A discloses certain affordable housing characteristics.

Termination ..... The trust will terminate when the certificate balance of the certificates has been reduced to zero, and all required distributions have been passed through to certificateholders. Fannie Mae has no unilateral option to cause an early termination of the trust other than by purchasing a mortgage loan from the pool for a reason permitted by the trust documents.

Federal Income Tax Consequences .....	The mortgage pool will be classified as a fixed investment trust. Unless otherwise disclosed in the Additional Disclosure Addendum, Fannie Mae will file an election to treat the mortgage pool as a being included in the assets of a real estate mortgage investment conduit (“REMIC”). In that case, for federal income tax purposes the related certificate will represent ownership of a REMIC regular interest and an interest in any associated prepayment premiums, in each case, in respect of each mortgage loan in the pool. See “ <b>MATERIAL FEDERAL INCOME TAX CONSEQUENCES</b> ” in the Fannie Mae MBS Prospectus.
Whole Pool Certificates.....	Fannie Mae’s counsel, Katten Muchin Rosenman LLP, has advised Fannie Mae that certificates issued under the trust documents that represent 100% of the beneficial interests in a pool of mortgage loans (or participation interests therein) held in the related trust and with respect to which REMIC elections are made will qualify as “whole pool certificates” to the same extent as certificates that represent 100% of the beneficial interests in a pool of mortgage loans (or participation interests therein) held in a trust with respect to which no REMIC elections are made.
Resecuritization .....	Following the assignment of mortgage loans to a trust, the related certificates upon issuance will represent the initial securitization of the mortgage loans. Any further assignment of the certificates to a REMIC trust or other issuance vehicle will represent the initial resecuritization of the mortgage loans. Certificates backed by mortgage loans with respect to which a REMIC election is made may be resecuritized to the same extent as, and may be commingled freely with, certificates backed by mortgage loans with respect to which no REMIC election is made.
Legal Investment Considerations .	Under the Secondary Mortgage Market Enhancement Act of 1984, the certificates offered by this prospectus will be considered “securities issued or guaranteed by ... the Federal National Mortgage Association.” Nevertheless, investors should consult their own legal advisor to determine whether and to what extent the certificates of an issuance constitute legal investments for them.
ERISA Considerations.....	For the reasons discussed in “ <b>ERISA CONSIDERATIONS</b> ” in the Fannie Mae MBS Prospectus, an investment in the certificates by a plan subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) will not cause the assets of the plan to include the mortgage loans underlying the certificates or the assets of Fannie Mae under the fiduciary provisions of ERISA or the prohibited transaction provisions of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended (the “Code”). Nevertheless, fiduciaries of such plan investors should consult with counsel regarding the applicability of the provisions of ERISA and Section 4975 of the Code before purchasing the certificates.

## SCHEDULE I

### FORM OF PROPOSED ADDITIONAL DISCLOSURE ADDENDUM

*The following information supplements the information in the Fannie Mae MBS Prospectus. In the event of any inconsistency between the information provided in this Addendum and the information in the Fannie Mae MBS Prospectus, the information in this Addendum shall prevail.*

The mortgage loan is an affordable housing loan and, accordingly, the mortgaged property is subject to affordable housing regulatory requirements that impose income and rent restrictions on tenants of the mortgaged property. See “THE MORTGAGE LOANS—Affordable Housing Loans”; “RISK FACTORS—RISKS RELATING TO YIELD AND PREPAYMENT—Prepayments Relating to Specific Types of Mortgage Loans and Mortgaged Properties—The successful operation of a mortgaged property securing an affordable housing mortgage loan may depend upon additional factors”; and “RISK FACTORS—RISKS RELATING TO YIELD AND PREPAYMENT—Prepayments Relating to Specific Types of Mortgage Loans and Mortgaged Properties—An affordable housing mortgage loan may be secured by a mortgaged property that has received an allocation of low-income housing tax credits but that fails to remain in compliance with the requirements for maintaining eligibility to receive the tax credits due to operations of the property or a casualty on the property” in the Fannie Mae MBS Prospectus for additional information.

The MBS certificates will serve as collateral for a tax-exempt issue of multifamily housing bonds (the “Bonds”) issued by the Washington State Housing Finance Commission (the “Issuer”) pursuant to and secured by an Indenture of Trust by and between the Issuer and U.S. Bank Trust Company, National Association, a national banking association, as trustee. The mortgage loan documents provide that the mortgage loan is cross-defaulted with certain agreements relating to the Bonds entered into at the time of the issuance of the Bonds, including but not limited to the indenture authorizing the Bonds and any housing regulatory agreements that limit rents, impose income restrictions or otherwise restrict the use of the property.

Because the mortgage loan documents provide that the mortgage loan is cross-defaulted with certain of the agreements entered into at the time of the issuance of the Bonds, a default under any of the cross-defaulted documents may trigger an event of default on the mortgage loan. If Fannie Mae accelerates the mortgage loan as a result of any event of default under the mortgage loan, the mortgage loan will be paid in full, and the stated principal balance of the MBS certificates will be passed through to the holder of the MBS certificates. In this case, no yield maintenance or other prepayment premiums will be payable to the holder of the MBS certificates.

The mortgaged property benefits from a tax abatement that eliminates property taxes on the property for three years, so long as there is not a change in law and the property continues to meet the requirements for receiving the benefits of the tax abatement. During the term of the mortgage loan, the tax abatement must be renewed every third year by filing a renewal declaration. Any (a) termination, substantial reduction, or material modification of the tax abatement that would become effective prior to the date that is five (5) years after the mortgage loan maturity date (an “adverse tax abatement event”), (b) failure to take such actions as may be required to maintain the tax exemption or failure to comply or cause full compliance with the tax exemption program requirements, or (c) transfer of the mortgaged property or an interest in the mortgaged property or the borrower that would cause an adverse tax abatement event is an event of default under the loan agreement. In addition, the borrower is liable to the lender for repayment of a portion of the mortgage loan equal to any loss or damage suffered by the lender in connection with a tax exemption related event of default that results in the termination or substantial reduction of the tax exemption. See “THE MORTGAGE LOANS—Characteristics of Multifamily Properties—Mortgage Loan Secured by Property Receiving Real Estate Tax Benefits” and “RISK FACTORS—RISKS RELATING TO YIELD AND PREPAYMENT—Prepayments Relating to Specific Types of Mortgage Loans and Mortgage Properties—A mortgaged property may benefit from a state or local property tax exemption or tax abatement that requires the borrower and the property to maintain compliance with specific requirements. The failure to meet those requirements may be an event of default under the mortgage loan” in the Fannie Mae MBS Prospectus for additional information.

The borrower may obtain a supplemental loan secured by a lien on the mortgaged property. Any such supplemental loan is expected to be subordinate to the mortgage loan. Generally, however, the supplemental loan will be cross-defaulted with the mortgage loan. As a result, an event of default on the supplemental loan may cause an

event of default on the mortgage loan, which may result in acceleration of the mortgage loan. See, “THE MORTGAGE LOANS — General Characteristics of the Mortgage Loans--Existing and Future Supplemental Mortgage Loans — Future Supplemental Mortgage Loans” and “Cross Default; Existing Mortgage Loans; Future Supplemental Mortgage Loans” in the Fannie Mae MBS Prospectus for additional information.

In addition to the matters described above, the eligible multifamily lender originating the mortgage loan may request the disclosure of additional matters relating to the mortgage loan or, upon delivery of the mortgage loan to Fannie Mae, in Fannie Mae’s discretion, it may determine that matters identified in the Term Sheet attached as APPENDIX H to the Remarketing Statement or otherwise may need to be disclosed in the Additional Disclosure Addendum provided in connection with the issuance of the MBS Certificate.

[Remainder of page intentionally left blank]

**APPENDIX B**  
**DEFINITIONS OF CERTAIN TERMS**

*Certain capitalized terms used in this Remarketing Statement are defined below. The following is subject to all the terms and provisions of the Indenture, to which reference is hereby made and copies of which are available from the Issuer or the Trustee.*

“30/360” means a computation of interest accrual on the basis of a three hundred sixty (360) day year under the assumption that all months, regardless of length, are comprised of exactly thirty (30) calendar days.

“Act” means the Constitution and laws of the State of Washington, particularly Laws of 1983, Ch. 161, codified at Chapter 43.180 RCW, as amended.

“Authorized Borrower Representative” means any person who, at any time and from time to time, is designated as the Borrower’s authorized representative by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by or on behalf of any authorized general partner of the Borrower if the Borrower is a general or limited partnership, by any authorized managing member of the Borrower if the Borrower is a limited liability company, or by any authorized officer of the Borrower if the Borrower is a corporation, which certificate may designate an alternate or alternates. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Borrower Representative is an Authorized Borrower Representative until such time as the Borrower files with it (with a copy to the Issuer) a written certificate revoking such person’s authority to act in such capacity. The initial Authorized Borrower Representative is Benjamin Maritz.

“Authorized Denomination” means (a) with respect to the Long-Term Mode Bonds, \$5,000 or any integral multiple of \$1,000 in excess thereof and (b) with respect to the Short-Term Mode Bonds, \$100,000, or any integral multiple of \$100,000 in excess thereof.

“Authorized Officer” means (a) with respect to the Issuer, any member of the Issuer and any other person as may be designated and authorized to sign on behalf of the Issuer pursuant to a resolution adopted thereby, and (b) with respect to the Trustee, any Vice President or Assistant Vice President of the Trustee having regular responsibility for corporate trust matters.

“Bankruptcy Code” means the Federal Bankruptcy Code, Title 11 of the United States Code.

“Beneficial Owner” means the purchaser of a beneficial interest in the Bonds.

“Bond” or “Bonds” means, individually or collectively as the context may dictate, the Long-Term Mode Bonds and the Short-Term Mode Bonds.

“Bond Counsel” means, initially, Pacifica Law Group LLP, or another attorney at law or a firm of attorneys of recognized expertise in the field of federal income tax matters relating to municipal securities selected by the Issuer.

“Bond Interest Rate” means \_\_\_\_\_% per annum with respect to the Bonds.

“Bond Loan Note” means, with respect to the Bonds issued on the Long-Term Mode Remarketing Date, the promissory note dated the Closing Date from the Borrower to the Loan Originator, as assigned by the Loan Originator to the Issuer and further assigned by the Issuer to the Trustee on the Closing Date as the same may be amended from time to time.

“Bond Maturity Date” means June 1, 2037.

“Bond Proceeds Fund” means the Fund created and so designated by the Indenture.

“Bond Purchase Agreement” means the Bond Purchase Agreement, dated April 8, 2026, among Stifel, the Issuer, and the Borrower.

“Bond Register” means the registration books of the Issuer maintained by the Trustee as provided in the Indenture on which registration and transfer of the Bonds is to be recorded.

“Bond Registrar” has the meaning given to such term in the Indenture.

“Bondholder” or “holder” or “owner” of any Bond or any similar term shall mean the person in whose name any Bond is registered.

“Book-Entry Bonds” means the Bonds for which a Depository or its Nominee is the Bondholder.

“Borrower” means Pseudotsuga Apartments LLC, a Washington limited liability company, and any permitted successors or assigns of such entity.

“Borrower’s Tax Certificate” means the Tax Certificate of Borrower executed by the Borrower and dated the Closing Date.

“Business Day” means any day other than a Saturday or Sunday, a day when the fiscal agent or paying agent for the MBS is closed, a day when the Federal Reserve Bank of New York is closed, or a day when the Federal Reserve Bank is closed in a district where a securities account is located if the related withdrawal is being made from that securities account, and, with respect to the Bonds, any such day that is also a day on which the Trustee is open for business.

“Cash Flow Projection” means cashflow projections prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm or other independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, establishing, to the satisfaction of the Rating Agency, as applicable, (a) the amounts on deposit with the Trustee in the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund, (b) projected investment income to accrue on amounts on deposit in the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund during the applicable period and (c) any additional Eligible Funds delivered to the Trustee by or on behalf of the Borrower are sufficient to pay, as applicable, (i) amounts due and payable on the Bonds on each Payment Date, (ii) the costs of any proposed remarketing of the Bonds, as provided in the Indenture, (iii) the MBS Purchase Price on the MBS Delivery Date including in the event that the Trustee intends to sell or otherwise dispose of Eligible Investments prior to maturity at a price below par, as described in the Indenture, (iv) the purchase, sale or exchange of Eligible Investments as provided in the Indenture, and (v) following the release of Excess Funds required to be retained in the Revenue Fund pursuant to the Indenture, that (A) there will remain on deposit in the Revenue Fund sufficient funds (without consideration of investment income or Eligible Funds not currently on deposit therein) together with scheduled MBS Payments coming due prior to the next Payment Date, to make the Bond payment on such next Payment Date, and (B) confirming that the subsequent scheduled MBS Payments will be sufficient, together with any unreleased funds that are retained in the Revenue Fund, to pay the Bonds in the amount due on each subsequent Payment Date. The cost and expense of obtaining such Cash Flow Projections shall be the sole responsibility of the Borrower.

“Closing Date” means April 14, 2026.

“Closing Draw” means \$100,000 principal amount of the Short-Term Mode Bonds drawn down on the Closing Date.

“Code” means the United States Internal Revenue Code of 1986, as in effect on the Closing Date or as it may be amended to apply to obligations issued on or after the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Collateral Fund” means the Fund created and so designated in the Indenture.

“Construction Lender” means Heritage Bank, a Washington state-chartered bank.

“Construction Loan” means the loan made by the Construction Lender to the Borrower in the original principal amount of \$16,000,000.

“Construction Loan Documents” means the documents executed and delivered in connection with the Construction Loan, including, without limitation, the promissory note and the mortgage evidencing the Construction Loan.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement dated as of April 1, 2026, between the Borrower and the Dissemination Agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Conversion Date” has the meaning set forth for such term in the Fannie Mae Forward Commitment and as set forth in a notice of the occurrence thereof delivered by the Permanent Lender to the Trustee.

“Costs of Issuance” means costs to the extent incurred in connection with, and allocable to, the issuance of the Bonds within the meaning of Section 147(g) of the Code. For example, “issuance costs” include the following costs, but only to the extent incurred in connection with, and allocable to, the borrowing: Remarketing Agent’s fee; counsel fees; financial advisory fees; fees paid to an organization to evaluate the credit quality of an issue; trustee fees; paying agent fees; registrar, certification and authentication fees; accounting fees; printing costs for bonds and offering documents; public approval process costs; engineering and feasibility study costs; guarantee fees, other than qualified guarantees; and similar costs.

“Costs of Issuance Deposit” means the amount deposited into the Costs of Issuance Fund on the Closing Date or any Long-Term Mode Remarketing Date, as applicable.

“Costs of Issuance Fund” means the Fund created and so designated in the Indenture.

“Counsel’s Opinion,” “Opinion of Counsel,” or “Opinion” means a written opinion, including opinions supplemental thereto, signed by an attorney or firm of attorneys (who may be counsel for the Issuer, the Borrower or Fannie Mae) acceptable to the Trustee.

“Depository” means, initially, DTC and any replacement securities depository appointed under the Indenture.

“Dissemination Agent” means U.S. Bank Trust Company, National Association, or any successor, as Dissemination Agent under the Continuing Disclosure Agreement.

“DTC” means The Depository Trust Company, Brooklyn, New York.

“Electronic Means” means a facsimile transmission or any other electronic means of communication approved in writing by Fannie Mae.

“Eligible Funds” means:

- (a) the proceeds of the Bonds or any other amounts received by the Trustee from Stifel or the Remarketing Agent;
- (b) moneys drawn on a letter of credit;
- (c) any amounts received by the Trustee representing advances to the Borrower proceeds of the Construction Loan, the Permanent Loan and the Subordinate Loan;
- (d) remarketing proceeds of the Bonds (including any additional amount paid to the Trustee as the purchase and or remarketing price thereof by the Remarketing Agent) received from the Remarketing Agent or any purchaser of the Bonds;

(e) any other amounts for which the Trustee has received an Opinion of Counsel to the effect that the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code (or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court) or be avoidable as preferential payments under Section 547 or 550 of the Bankruptcy Code should the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;

(f) any payments held by the Trustee for a continuous period of 123 days, provided that no act of bankruptcy with respect to the Borrower has occurred during such period; and

(g) investment income derived from the investment of the money described in (a) through (f) above.

“Eligible Investments” means, subject to the provisions of the Indenture, any of the following obligations which mature (or are redeemable at the option of the Trustee without penalty) at such time or times as to enable timely disbursements to be made from the fund in which such investment is held or allocated in accordance with the terms of the Indenture:

(a) Government Obligations; and

(b) Shares or units in any money market mutual fund rated “Aaa-mf” by Moody’s (or the equivalent Highest Rating Category given by the Rating Agency for that general category of security) including mutual funds of the Trustee or its affiliates or for which the Trustee or an affiliate thereof serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor that are registered under the Investment Company Act of 1940, as amended, whose investment portfolio consists solely of direct obligations of the government of the United States of America.

“Event of Default” means any occurrence or event specified in the Indenture.

“Excess Funds” means (a) prior to the delivery of the MBS, an amount, calculated by a Cash Flow Projection, equal to the excess of (i) the sum of (A) the amounts then on deposit in the Negative Arbitrage Account and (B) projected investment income to accrue on amounts on deposit in such Account over (ii) the aggregate amounts of the payments due with respect to the Bonds, when due and payable and (b) following the delivery of the MBS, an amount, calculated by a Cash Flow Projection, equal to the excess of (i) the sum of (A) the amounts then on deposit in the Revenue Fund and (B) scheduled MBS income to be received prior to the subsequent Bond payment over (ii) the subsequent Bond payments when due and payable on the Bonds.

“Extension Deposit” means the deposit of Eligible Funds (a) with respect to the Long-Term Mode Bonds, as described in the Indenture, and (b) with respect to the Short-Term Mode Bonds, the amount due, if any, to provide adequate additional funds for the payment of principal and interest due with respect to the Short-Term Mode Bonds during a Remarketing Period in connection with the change or extension of the Mandatory Tender Date pursuant to the Indenture, and which shall be determined by a Cash Flow Projection.

“Extraordinary Issuer Fees and Expenses” means the expenses and disbursements payable to the Issuer under the Indenture for Extraordinary Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by the Issuer, Bond Counsel and counsel to the Issuer which are to be paid by the Borrower pursuant to the Financing Agreement.

“Extraordinary Services” and “Extraordinary Expenses” mean all services rendered and all reasonable expenses properly incurred by the Trustee under the Indenture or the Financing Agreement, other than Ordinary Services and Ordinary Expenses. Extraordinary Services and Extraordinary Expenses shall specifically include but are not limited to services rendered or expenses incurred by the Trustee or the Issuer in connection with, or in contemplation of, an Event of Default.

“Extraordinary Trustee Fees and Expenses” means the expenses and disbursements payable to the Trustee under the Indenture for Extraordinary Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by the Trustee and the Trustee’s counsel which are to be paid by the Borrower pursuant to the Financing Agreement.

“Fannie Mae” means Fannie Mae, a corporation organized and existing under the Federal National Mortgage Association Charter Act, 12 U.S.C. § 1716 et seq., and its successors.

“Fannie Mae Forward Commitment” means, if and when issued, a commitment between the Permanent Lender and Fannie Mae, pursuant to which Fannie Mae commits to deliver the MBS subject to the satisfaction of all conditions in such commitment, as the same may be amended from time to time.

“Final Bond Maturity Date” means June 1, 2037.

“Financing Agreement” means the Financing Agreement dated as of April 1, 2026, among the Issuer, the Borrower, the Loan Originator and the Trustee.

“Financing Documents” means the Financing Agreement, the Regulatory Agreement, the Tax Certificate, the Indenture, the Bond Loan Note and the Bond Purchase Agreement.

“First Amendment to Regulatory Agreement” means that certain First Amendment to Regulatory Agreement between the Issuer and the Borrower, which will be recorded in connection with the delivery of the Fannie Mae Forward Commitment and will incorporate provisions required by Fannie Mae into the Regulatory Agreement.

“Fund” or “Account” means a fund or account created by or pursuant to the Indenture.

“Government Obligations” means (a) noncallable, non-redeemable direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, and (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

“Highest Rating Category” means, with respect to an Eligible Investment, that the Eligible Investment is rated by a Rating Agency in the highest rating given by that Rating Agency for that Rating Category, provided that such rating shall include but not be below “Aa1” or “Aa1/VMIG 1” if rated by Moody’s or “A-1+” or “AA+” if rated by S&P.

“Indenture” means the Indenture of Trust dated as of April 1, 2026, by and between the Issuer and the Trustee, as it may from time to time be amended, modified or supplemented by Supplemental Indentures.

“Initial Mandatory Tender Date” means the Long-Term Mode Remarketing Date, which date shall not be later than the Long-Term Mode Remarketing Deadline, as notified by the Remarketing Agent and Borrower in writing to the Trustee prior to the Long-Term Mode Remarketing.

“Initial Payment Date” means the date on which interest shall be due and payable for the period from the Long-Term Mode Remarketing Date to, but not including, the first payment date established on the Long-Term Mode Remarketing Date.

“Initial Termination Date” has the meaning stated in the Fannie Mae Forward Commitment, such date being November 1, 2028\*.

“Issuer” means the Washington State Housing Finance Commission.

“Issuer Fees and Expenses” means, collectively, the Ordinary Issuer Fees and Expenses and the Extraordinary Issuer Fees and Expenses. The Issuer Fees and Expenses shall be payable by the Borrower, and not from funds pledged to the benefit of the Trust Estate.

“Issuer’s Tax Certificate” means the Non-Arbitrage Certificate executed by the Issuer and acknowledged by the Borrower, dated the Closing Date.

“Lender” means, (a) prior to the Conversion Date, the Construction Lender, and (b) commencing on the Conversion Date, the Permanent Lender.

“Loan Originator” means U.S. Bank Trust Company, National Association, a national banking association.

“Local Time” means the Pacific Time Zone.

“Long-Term Mode” means the period from the Long-Term Mode Remarketing Date to but not including any subsequent Mandatory Tender Date.

“Long-Term Mode Bond Negative Arbitrage Deposit” means Eligible Funds in the amount determined on the Long-Term Mode Remarketing Date to be deposited on the Long-Term Mode Remarketing Date into the Negative Arbitrage Account.

“Long-Term Mode Bond Payment Date” means (a) with respect to interest, January 1 and July 1 of each year, commencing on the first of such dates occurring after the Initial Mandatory Tender Date, and (b) with respect to principal and interest, the stated maturity for any Bonds or any earlier date of redemption of any of the Bonds.

“Long-Term Mode Bonds” means, individually and collectively as and if Outstanding following the Long-Term Mode Remarketing Date, as the context may require, the Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026 in the principal amount of \$18,000,000 authorized under and secured by the Indenture and issued pursuant to the Indenture.

“Long-Term Mode Remarketing” means the remarketing of the Bonds into the Long-Term Mode.

“Long-Term Mode Remarketing Date” means the date on which the Long-Term Mode Remarketing occurs, which Long-Term Mode Remarketing Date may occur on any date by or before the Long-Term Mode Remarketing Deadline, after the conditions for the occurrence of the Long-Term Mode Remarketing as set forth in the Indenture have been satisfied.

“Long-Term Mode Remarketing Deadline” means October 1, 2026, as such date may be extended at the option of Stifel.

“Mandatory Redemption Date” means any date on which the Bonds are subject to mandatory redemption pursuant to the Indenture, as such date may be extended pursuant to the Indenture.

“Mandatory Tender Date” means (a) the Initial Mandatory Tender Date and (b) the MBS Maturity Date.

“MBS” shall mean the mortgage-backed security that is issued by Fannie Mae and pledged by the Issuer to the Trustee pursuant to the Indenture.

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\* Preliminary; subject to change.

“MBS Dated Date” means the 1<sup>st</sup> day of the month in which the MBS is delivered.

“MBS Delivery Date” means the date on which the Trustee receives the MBS backed by the Permanent Loan, which shall occur not later than the MBS Delivery Date Deadline.

“MBS Delivery Date Deadline” means November 25, 2028,\* or, if such day is not a Business Day, the following Business Day, as such date may be extended pursuant to the Indenture.

“MBS Maturity Date” means May 1, 2036\*.

“MBS Purchase Price” means the principal amount outstanding on the Permanent Loan as of the MBS Delivery Date plus accrued interest on the MBS from the MBS Dated Date to the MBS Delivery Date at the Pass-Through Rate.

“MBS Revenues” means all payments made under and pursuant to the MBS.

“Moody’s” means Moody’s Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency, designated by Fannie Mae, that assigns credit ratings.

“Mortgage” means the mortgage dated as of the date of closing of the Permanent Loan, together with all riders and exhibits, securing the Permanent Loan, executed by the Borrower in favor of the Permanent Lender, as the same may be amended from time to time.

“Mortgage Loan Agreement” means the loan agreement with respect to the Permanent Loan, executed by the Borrower and the Permanent Lender and dated the Conversion Date.

“Mortgage Note” means the instrument evidencing the obligation to repay the Permanent Loan, dated the Conversion Date, if such Permanent Loan is originated, as the same may be amended from time to time.

“Negative Arbitrage Account” means the Negative Arbitrage Account of the Revenue Fund created pursuant to the Indenture.

“Negative Arbitrage Deposit” means individually or collectively, as applicable, the Long-Term Mode Bond Negative Arbitrage Deposit and the Short-Term Mode Bond Negative Arbitrage Deposit.

“Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to the Indenture.

“Ordinary Issuer Fees and Expenses” means, (a) prior to the Conversion Date, an amount equal to 0.10% per annum of the maximum principal amount of Bonds Outstanding payable in semiannual installments, on each January 1 and July 1 in advance, and (b) commencing on the first January 1 or July 1 following the Conversion Date, an amount equal to 0.10% per annum of the principal amount of Bonds Outstanding on the most recent July 1 (after taking into account any principal redemption occurring on such July 1), payable in semiannual installments, on each January 1 and July 1 in advance; provided, that the first payment (accrued through December 31, 2026) was made on the Closing Date, and provided further, that the minimum aggregate fee received over the life of the Bonds shall be \$90,000.

“Ordinary Services” and “Ordinary Expenses” mean those services normally rendered, and those expenses normally incurred, by an issuer or a trustee under instruments similar to the Indenture.

“Ordinary Trustee Fees and Expenses” means amounts due to the Trustee for the Ordinary Services and the Ordinary Expenses of the Trustee incurred in connection with its duties under the Indenture, payable in advance on

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\* Preliminary; subject to change.

the Closing Date (accrued through December 31, 2026) and semiannually on each January 1 and July 1 in the amount of \$3,500.00 per annum (together with an acceptance fee of \$3,500.00 payable upon execution of the Indenture); provided, however, the amount of Ordinary Trustee Fees and Expenses payable under the Indenture is limited to money withdrawn from the Costs of Issuance Fund and the Administration Fund and the Borrower will be responsible to pay the remaining amount of the Ordinary Trustee Fees and Expenses pursuant to the Financing Agreement. In addition, all amounts due to the Trustee for Extraordinary Services and all Extraordinary Expenses of the Trustee will be paid directly by the Borrower pursuant to the Financing Agreement.

“Outstanding” means, when used with respect to the Bonds and as of any date, all Bonds theretofore authenticated and delivered under the Indenture except:

- (a) any Bond cancelled by the Trustee or delivered to the Trustee for cancellation;
- (b) any Bond for the payment or redemption of which either (i) moneys equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, or (ii) specified types of Eligible Investments or moneys in the amounts, of the maturities and otherwise as described and required under the Indenture, shall have theretofore been deposited with the Trustee in trust (whether upon or prior to maturity or the redemption date of such Bond) and, except in the case of a Bond to be paid at maturity, as to which a redemption notice shall have been given or provided for in accordance with the Indenture;
- (c) any mutilated, lost, destroyed or stolen Bond that is paid pursuant to the Indenture; and
- (d) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to the Indenture.

For purposes of clarity, “Outstanding” as used in in the Indenture shall include the undrawn portion of the principal amount of the Bonds to be drawn, remarketed and sold as the Second Draw on the Long-Term Mode Remarketing Date.

“Participant” means a member of, or a participant in, the Depository.

“Pass-Through Rate” means \_\_\_% per annum with respect to the MBS.

“Payment Date” means (i) with respect to interest, January 1 and July 1 of each year, commencing on the Initial Payment Date, and (ii) with respect to principal and interest, the stated maturity date for any of the Bonds or any earlier date of redemption of any of the Bonds.

“Permanent Lender” means CBRE Multifamily Capital, Inc., a Delaware corporation, and its successors and assigns.

“Permanent Loan” means the interest-bearing loan for multifamily housing relating to the Bonds, if originated on the Conversion Date, which is evidenced by the Mortgage Note and secured by the Mortgage Loan Agreement.

“Permanent Loan Amortization Schedule” means the mortgage loan amortization schedule delivered to the Trustee on the Long-Term Mode Remarketing Date, as the same may be subsequently modified by the Permanent Lender on the Conversion Date.

“Permanent Loan Documents” means, collectively, the Mortgage Note, the Mortgage, the Mortgage Loan Agreement, and all other documents, agreements and instruments evidencing, securing or otherwise relating to the Permanent Loan, as each such document, agreement or instrument may be amended, supplemented or restated from time to time. Neither the Financing Agreement nor the Regulatory Agreement is a Permanent Loan Document and neither document is secured by the Mortgage.

“Project” means the multifamily rental housing development, known as Addison Grove, located in unincorporated Pierce County, Washington, on the site described in the Mortgage.

“Project Costs” means the following costs of the Project:

(a) Costs incurred directly or indirectly for or in connection with the acquisition (including the acquisition of a fee simple interest), construction, rehabilitation, improvement and equipping of the Project, including costs incurred in respect of the Project for preliminary planning and studies; architectural, legal, engineering, accounting, consulting, supervisory and other services; labor, services and materials; and recording of documents and title work and insurance.

(b) Premiums attributable to any surety bonds and insurance required to be taken out and maintained during the construction period with respect to the Project.

(c) Taxes, assessments and other governmental charges in respect of the Project that may become due and payable during the construction or rehabilitation period.

(d) Costs incurred directly or indirectly in seeking to enforce any remedy against any contractor or subcontractor in respect of any actual or claimed default under any contract relating to the Project.

(e) Subject to the limitations set forth in the Tax Certificate, Costs of Issuance, including, financial, legal, accounting, cash flow verification, printing and engraving fees, charges and expenses, and all other such fees, charges and expenses incurred in connection with the authorization, sale, issuance and delivery of the Bonds, including, without limitation, the fees and expenses of the Trustee properly incurred under the Indenture that may become due and payable during the construction period.

(f) Any other costs, expenses, fees and charges properly chargeable to the cost of acquisition, construction, rehabilitation, improvement and equipping of the Project.

(g) Payment of interest on the Bonds during the construction period.

(h) Payments to the Rebate Fund.

“Rating Agency” means Moody’s, S&P or any other nationally recognized securities rating agency rating the Bonds, or such rating agency’s successors or assigns, and initially means Moody’s so long as Moody’s is rating the Bonds.

“Rating Category” means one of the rating categories of the Rating Agency for the specific type and duration of the applicable Eligible Investment.

“Rebate Analyst” means a certified public accountant, financial analyst or attorney, or any firm of the foregoing, or a financial institution (which may include the Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code and retained by the Borrower to make the computations and give the directions required pursuant to the Tax Certificate. The Initial Rebate Analyst will be Tiber Hudson LLC.

“Rebate Fund” means the Fund created and so designated in the Indenture.

“Record Date” means (a) with respect to the Long-Term Mode Bonds, the close of business on the last day of the calendar month prior to the calendar month in which a payment occurs, and (b) with respect to the Short-Term Mode Bonds, the fifteenth (15th) day of the calendar month immediately preceding each Short-Term Mode Bond Payment Date.

“Redemption Price” means the amount required to be delivered to pay principal of, interest on, and redemption premium, if any, in connection with a redemption of the Bonds in accordance with the provisions of the Indenture.

“Regulations” means the federal income tax regulations promulgated or proposed under the Code by the Department of the Treasury, as the same may hereafter be amended, including without limitation regulations promulgated by the Department of the Treasury to implement the requirements of Section 148 of the Code.

“Regulatory Agreement” means (a) prior to the Remarketing Date, the Regulatory Agreement relating to the Project, dated as of April 1, 2026, between the Issuer and the Borrower, as it may be amended, supplemented or restated from time to time, and (b) on and after the Remarketing Date, the Regulatory Agreement as amended by the First Amendment to Regulatory Agreement.

“Remarketing Agent” means, initially, Stifel, Nicolaus & Company, Incorporated, and thereafter any successor Remarketing Agent (which meets the requirements of the Indenture) that may be appointed by the Borrower.

“Remarketing Agent’s Fee” means the fee of the Remarketing Agent for its remarketing services. The Remarketing Agent’s Fee shall be payable by the Borrower, and not from funds pledged to the benefit of the Trust Estate.

“Remarketing Agreement” means the Remarketing Agreement, dated as of April 1, 2026, by and between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

“Remarketing Date” means each Mandatory Tender Date, to include the Long-Term Mode Remarketing Date, but only if the conditions for remarketing the Bonds Outstanding on such date, as provided in the Indenture, are satisfied and the Bonds are remarketed into the Long-Term Mode.

“Remarketing Expense Account” means the Remarketing Expense Account within the Costs of Issuance Fund created in the Indenture.

“Remarketing Expenses” means the costs and expenses, other than those set forth in the Financing Agreement, incurred by the Trustee and its counsel, the Remarketing Agent and its counsel and the Dissemination Agent in connection with the remarketing of the Bonds, including bond printing and registration costs, costs of funds advanced by the Remarketing Agent, registration and filing fees, the cost of any Cash Flow Projections or other verification reports, rating agency fees and other costs and expenses incurred in connection with or properly attributable to the remarketing of Bonds as certified to the Trustee by the Remarketing Agent in writing.

“Remarketing Notice Parties” means the Borrower, the Issuer, the Trustee, the Remarketing Agent and the Lender.

“Remarketing Period” means the period beginning on the Long-Term Mode Remarketing Date and ending on the Final Bond Maturity Date.

“Remarketing Proceeds Account” means the Remarketing Proceeds Account of the Revenue Fund created in the Indenture.

“Remarketing Rate” means the interest rate or rates established pursuant to the Indenture and borne by the Bonds then Outstanding from and including the Long-Term Mode Remarketing Date to the Final Bond Maturity Date.

“Representation Letter” has the meaning given to such term in the Indenture.

“Reserved Rights” means those certain rights of the Issuer under the Financing Agreement to indemnification and to payment or reimbursement of fees and expenses of the Issuer, its right to give and receive notices and to enforce notice and reporting requirements and restrictions on transfer of ownership, its right to inspect and audit the books,

records and premises of the Borrower and of the Project, its right to collect attorneys' fees and related expenses, its right to specifically enforce the Borrower's covenant to comply with applicable federal tax law and State law (including the Act and the rules and regulations of the Issuer, if any), its rights to exercise the option to exchange Bonds for the MBS or redeem such Bonds for cash pursuant to the Indenture, its rights to give or withhold consent to amendments, changes, modifications and alterations to the Financing Agreement and the Regulatory Agreement, and its rights to enforce the Financing Agreement and the Regulatory Agreement.

"Resolution" means Resolution No. 26-46 dated March 26, 2026, together with any amendments or supplements, authorizing and approving the issuance and sale of the Bonds and authorizing and approving the execution and delivery of the Indenture, the Financing Agreement, the Regulatory Agreement, the Non-Arbitrage Certificate executed by the Issuer and certain other documents, making certain appointments and determining certain details with respect to the Bonds.

"Revenue Fund" means the Fund created and so designated in the Indenture.

"S&P" means S&P Global Ratings, and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency, designated by Fannie Mae, that assigns credit ratings.

"Second Draw" or "Second Drawing" means the aggregate principal amount of the Long-Term Mode Bonds drawn down on the Long-Term Mode Remarketing Date, as reflected in the remarketing memorandum dated the Long-Term Mode Remarketing Date.

"Short-Term Mode" means the period from the Closing Date, to, but not including, the Long-Term Mode Remarketing Date.

"Short-Term Mode Bonds" means the Issuer's Multifamily Tax-Exempt Bonds (MBS Secured) (Addison Grove Apartments Project), Series 2026 in the aggregate principal amount of \$18,000,000 authorized under, secured by and issued pursuant to the Indenture, on any date prior to the Long-Term Mode Remarketing Date.

"State" means the State of Washington.

"Stifel" means Stifel, Nicolaus & Company, Incorporated.

"Subordinate Lender" shall mean Washington State Housing Finance Commission, in its capacity as maker of the Subordinate Loan.

"Subordinate Loan" means the subordinate mortgage loan to the Borrower in the principal amount of \$13,410,000 being made by the Subordinate Lender pursuant to the Subordinate Loan Documents.

"Subordinate Loan Documents" shall mean, collectively, all instruments, agreements and other documents evidencing, securing or otherwise relating to the Subordinate Loan or executed and delivered by Borrower and/or Subordinate Lender in connection with the Subordinate Loan.

"Substitute Depository" means a securities depository appointed as successor to DTC under the Indenture.

"Supplemental Indenture" means any indenture hereafter duly authorized and entered into between the Issuer and the Trustee amending or supplementing the Indenture in accordance with the provisions thereof.

"Tax Certificate" means, collectively, (a) the Non-Arbitrage Certificate executed by the Issuer and acknowledged by the Borrower, and (b) the Tax Certificate of Borrower executed by the Borrower.

“Termination Date” means (a) initially, the Initial Termination Date, and (b) if the Borrower exercises its extension option, May 1, 2029\*, in accordance with the Fannie Mae Forward Commitment and as set forth in a notice of the occurrence of such extension delivered by the Lender to the Trustee, subject to such additional extensions which have not been considered or agreed upon but may nevertheless be granted in the sole discretion of Fannie Mae.

“Trust Estate” means all the property, rights, moneys, securities and other amounts pledged and assigned to the Trustee pursuant to the Indenture.

“Trustee” means U.S. Bank Trust Company, National Association, a national banking association.

“Trustee Fees and Expenses” means, collectively, the Ordinary Trustee Fees and Expenses and the Extraordinary Trustee Fees and Expenses.

“Yield Maintenance Period” means the period of time designated by the Permanent Lender in connection with the delivery of the Fannie Mae Forward Commitment.

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\* Preliminary; subject to change.

**APPENDIX C**  
**SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE**

*The following is a summary of certain provisions of the Indenture which are not described elsewhere in the Remarketing Statement. This summary does not purport to be comprehensive, and reference should be made to the Indenture for a full and complete statement of its provisions.*

**Authorization, Transfer and Registration, and Terms of Bonds**

Authorization of Bonds. Bonds of the Issuer, to be entitled Multifamily Tax-Exempt Bonds (MBS Secured) (Addison Grove Apartments Project), Series 2026 are authorized by the Indenture to be issued in a principal amount set forth in the Indenture and shall be issued subject to the terms, conditions and limitations established in the Indenture as provided therein. The Bonds shall be issued initially as Book-Entry Bonds. The Bonds may be executed by or on behalf of the Issuer, authenticated by the Trustee and delivered or caused to be delivered by the Trustee to the original purchasers thereof upon compliance with the requirements set forth in the Indenture.

Terms of Bonds. The Bonds are being issued as draw-down bonds, and the purchase price of the Bonds shall be funded in two installments. The Short-Term Mode Bonds will be drawn on the Closing Date in the amount of the Closing Draw and the Long-Term Mode Bonds will be drawn on the Long-Term Mode Remarketing Date in the amount of the Second Draw, which will not exceed a combined aggregate principal amount of \$18,000,000. The principal amount due on the Bonds shall only be such amount as has been drawn in accordance with this section, and the records maintained by the Trustee in such regard shall be conclusive evidence of the principal amount of the Bonds Outstanding absent manifest error.

The Long-Term Mode Bonds shall be dated as of the Long-Term Mode Remarketing Date, shall mature (subject to prior redemption as set forth herein) on the Final Bond Maturity Date, and shall bear interest at the Remarketing Rate, payable on each Long-Term Mode Bond Payment Date. Interest shall be calculated on the basis of a year of 30/360. Except as otherwise provided in the Indenture, the payment of interest on a Payment Date shall be in an amount equal to the interest accrued during the preceding six (6) calendar months; provided that the payment of interest on the initial Long-Term Mode Bond Payment Date shall relate to the interest accrued from the Long-Term Mode Remarketing Date to the calendar day immediately preceding the Initial Payment Date.

The Bonds shall be issued as registered bonds without coupons in Authorized Denominations. The Bonds shall be lettered “R” and shall be numbered separately from “1” consecutively upwards. The Bonds shall be issued initially as Book-Entry Bonds.

On each Payment Date, payment of the principal of and interest or premium, if any, on any Bond shall be made to the person appearing on the Bond Register as the registered owner thereof on the applicable Record Date. The principal of and the interest on the Bonds shall be payable in coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts of the United States of America. Unless the Bonds are Book-Entry Bonds, the principal of the Bonds shall be payable to the registered owners thereof upon presentation (except in connection with a redemption of Bonds described in “Mandatory Redemption of Bonds — Mandatory Sinking Fund Redemption” herein, and a maturity of the Bonds pursuant to the Indenture) at the designated corporate trust office of the Trustee or its successors. Unless the Bonds are Book-Entry Bonds, payments of interest on the Bonds and redemption of the Bonds described in “Mandatory Redemption of Bonds — Mandatory Sinking Fund Redemption” herein shall be paid by wire transfer or check mailed to the registered owner thereof at such owner’s address as it appears on the registration books maintained by the Trustee on the applicable Record Date or at such other address as is furnished to the Trustee in writing by such owner. The Trustee shall cause CUSIP number identification with appropriate dollar amounts for each CUSIP number to accompany all payments of interest, principal or Redemption Price made to such owners, whether such payment is made by check or wire transfer. All payments of principal of and interest on Book-Entry Bonds shall be made and given at the times and in the manner set out in the Representation Letter, as more fully specified in the Indenture.

The Bonds shall be subject to redemption prior to maturity as provided in the Indenture.

The date of authentication of each Bond shall be the date such Bond is registered.

The Bonds shall mature (subject to prior redemption as herein set forth) on the dates determined on the Long-Term Note Remarketing Date pursuant to the rates and redemption schedule set forth in the Permanent Loan Amortization Schedule.

Execution; Limited Obligation. The Bonds shall be signed by, or bear the facsimile or manual signature of, the Executive Director or Director of Financing of the Issuer, and attested to by the manual signature of an authorized signatory of the Trustee. In case any one or more of the officers of the Issuer who shall have signed any of the Bonds or whose signature appears on any of the Bonds shall cease to be such officer before the Bonds so signed shall have been actually authenticated or delivered or caused to be delivered by the Trustee or issued by the Issuer, such Bonds may, nevertheless, be authenticated and issued and, upon such authentication, delivery and issue, shall be as binding upon the Issuer as if the persons who signed such Bonds or whose signatures appear on any of the Bonds had not ceased to hold such offices until such delivery. Any Bond may be signed on behalf of the Issuer by such persons as at the actual time of execution of the Bonds shall be duly authorized or hold the proper office in the Issuer, although at the date of issuance and delivery of the Bonds such persons may not have been so authorized or have held such office.

Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Issuer, at the expense of the owner of such Bond shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the order of, the Issuer. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence shall be satisfactory to it and indemnity satisfactory to the Trustee shall be given, the Issuer, at the expense of the owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Bond authenticated and delivered under this section and of the expenses which may be incurred by the Issuer and the Trustee in connection therewith. Any Bond authenticated and delivered under the provisions of this section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Issuer whether or not the Bond so alleged to be lost, destroyed or stolen shall be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of the Indenture with all other Bonds secured by the Indenture. If any such Bond shall have matured, or is about to mature, instead of issuing a new Bond the Issuer may direct the Trustee to pay the same without surrender thereof upon receipt by the Issuer of indemnity acceptable to the Issuer.

Registration, Transfer and Exchange of Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration, transfer and exchange of the Bonds as provided in the Indenture to be kept by the Trustee, which by the Indenture is constituted and appointed the bond registrar with respect to the Bonds (the "Bond Registrar"). At reasonable times and under reasonable regulations established by the Trustee, said books may be inspected and copied by the Issuer or by owners (or a designated representative thereof) of a majority in aggregate principal amount of the Bonds then Outstanding. Under the Indenture, the Trustee is also appointed as paying agent for the Bonds.

The registration of each Bond is transferable by the registered owner thereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Trustee. Upon surrender for registration of transfer of any Bond at such office, the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond of the same series, interest rate, maturity or maturities and Authorized Denomination for the same aggregate principal amount. Bonds to be exchanged shall be surrendered at said designated corporate trust office of the Trustee, and the Trustee shall authenticate and deliver in exchange therefor a Bond of equal aggregate principal amount of the same maturity, series, interest rate and Authorized Denomination.

All Bonds presented for registration of transfer, exchange or payment (if so required by the Issuer or the Trustee) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Trustee, duly executed by the registered owner or by its duly authorized attorney.

The Issuer, the Bond Registrar and the Trustee shall not be required (a) to issue, register the transfer of or exchange any Bonds during a period beginning at the Trustee's opening of business on the applicable Record Date and ending at the Trustee's close of business on the applicable Payment Date; or (b) to register the transfer of or exchange any Bond selected, called or being called for redemption as provided in the Indenture. No charge shall be made to any Bondholder for the privilege of registration of transfer as provided in the Indenture, but any Bondholder requesting any such registration of transfer shall pay any tax or governmental charge required to be paid therefor.

New Bonds delivered upon any registration of transfer or exchange shall be valid obligations of the Issuer, evidencing the same debt as the Bonds surrendered, shall be secured by the Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered. The person in whose name any Bond is registered shall be deemed the owner thereof by the Issuer and the Trustee, and any notice to the contrary shall not be binding upon the Issuer or the Trustee. Notwithstanding anything in the Indenture to the contrary, to the extent the Bonds are Book-Entry Bonds, the book-entry system provisions of the Indenture shall govern the exchange and registration of Bonds.

### **Notice of Redemption**

Anytime the Bonds are subject to redemption in whole or in part pursuant to the Indenture (except for a sinking fund redemption described under the heading "Mandatory Redemption of Bonds — Mandatory Redemption Prior to MBS Delivery Date," "Mandatory Redemption of Bonds — Mandatory Sinking Fund Redemption" or "Mandatory Redemption of Bonds — Mandatory Redemption Following Unscheduled Prepayment of the Permanent Loan" herein), the Trustee, in accordance with the provisions of the Indenture, shall give at least five (5) calendar days' notice, in the name of the Issuer, of the redemption of the Bonds, which notice shall specify the following: (i) the maturity and principal amounts of the Bonds to be redeemed; (ii) the CUSIP number, if any, of the Bonds to be redeemed; (iii) the date of such notice; (iv) the issuance date for such Bonds; (v) the interest rate on the Bonds to be redeemed; (vi) the redemption date; (vii) any conditions to the occurrence of the redemption; (viii) the place or places where amounts due upon such redemption will be payable; (ix) the Redemption Price; (x) the Trustee's name and address with a contact person and a phone number; and (xi) that on the redemption date, the Redemption Price shall be paid. Notice delivered as required in this heading "Notice of Redemption" with respect to a redemption described under the heading "Mandatory Redemption of Bonds — Mandatory Redemption Upon Failure to Convert or Failure to Purchase the MBS by the MBS Delivery Date Deadline," herein, may be rescinded and annulled on or before the redemption date set forth in such notice if (i) the MBS is delivered on or prior to such redemption date or (ii) the MBS Delivery Date Deadline is extended pursuant to the Indenture. Neither the giving of such notice by the Trustee nor the receipt of such notice by the Bondholders shall be a condition precedent to the effectiveness of any such redemption. Notwithstanding anything in the Indenture to the contrary, no notice of redemption shall be required with respect to redemptions described under the headings "Mandatory Redemption of Bonds — Mandatory Redemption Prior to MBS Delivery Date," "Mandatory Redemption of Bonds — Mandatory Sinking Fund Redemption" or "Mandatory Redemption of Bonds — Mandatory Redemption Following Unscheduled Prepayment of the Permanent Loan," herein. With respect to a mandatory redemption described under the heading "Mandatory Redemption of Bonds — Selection of Bonds for Redemption," the notice of Mandatory Tender provided to Holders pursuant to the Indenture shall serve as the notice of redemption required by this section and shall satisfy the requirements of this section, and no further notice of redemption will be required to the Bondholders.

The Bonds to be redeemed in part pursuant to the Indenture will be selected in accordance with the operational arrangements of DTC or any successor Substitute Depository, and any partial prepayments pursuant thereto shall be made in accordance with the "Pro Rata Pass-Through Distributions of Principal" procedures of DTC or comparable procedures of any successor Substitute Depository.

In the event that the MBS has not been purchased by, and delivered to, the Trustee ten (10) Business Days prior to the MBS Delivery Date Deadline (as such date may be extended under the Indenture), the Trustee shall provide, ten (10) Business Days prior to the MBS Delivery Date Deadline, written notice of such non-purchase to the Borrower, the Construction Lender, the Permanent Lender, the Issuer and the Remarketing Agent.

Notwithstanding this section, no prior notice shall be a prerequisite to the effectiveness of any redemption under the heading "Mandatory Redemption of Bonds" which redemption shall occur and be effective irrespective of

whether the Trustee fulfills its obligation to provide the notice with respect to the heading “Mandatory Redemption of Bonds,” herein, required under this heading “Notice of Redemption.”

### **Payment of Redemption Price**

With respect to any redemption pursuant to the heading “Redemption” above, notice having been given in the manner provided in the heading “Notice of Redemption” above (or not required to be given as a result of a redemption described under the headings “Mandatory Redemption of Bonds — Mandatory Redemption Prior to MBS Delivery Date,” “Mandatory Redemption of Bonds — Mandatory Sinking Fund Redemption,” or “Mandatory Redemption of Bonds — Mandatory Redemption Following the MBS Delivery Date” herein), and all conditions to the redemption contained in such notice, if applicable, having been met, the Bonds so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price specified in the heading “Mandatory Redemption of Bonds” herein, and (except in the case of a redemption described under the headings, “Mandatory Redemption of Bonds — Mandatory Redemption Prior to MBS Delivery Date,” “Mandatory Redemption of Bonds — Mandatory Sinking Fund Redemption,” or “Mandatory Redemption of Bonds — Mandatory Redemption Following the MBS Delivery Date” herein), upon presentation and surrender thereof at the offices specified in such notice, together with, in the case of Bonds presented by other than the registered owner, a written instrument of transfer duly executed by the registered owner or its duly authorized attorney; provided, however, that so long as the Bonds are registered in the name of the Depository, payment for such redeemed Bonds shall be made in accordance with the Representation Letter of the Issuer. If, on the redemption date, moneys for the redemption of all of the Bonds or the Bonds to be redeemed, together with all accrued interest on such Bonds (which, with respect to the Long-Term Mode Bonds only, shall equal all interest accrued on the MBS, if delivered), to the redemption date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date, interest on the Bonds so called for redemption shall cease to accrue.

### **Extension of MBS Delivery Date Deadline**

At any time prior to the MBS Delivery Date Deadline, the Borrower may extend the MBS Delivery Date Deadline by (a) providing to the Trustee, the Lender, the Issuer, the Rating Agency and the Remarketing Agent written notice of any extension of the MBS Delivery Date Deadline, (b) depositing with the Trustee Eligible Funds for the credit of the Negative Arbitrage Account in an amount, taking into account amounts already on deposit therein, sufficient to pay interest due on the Bonds to the date that is five (5) calendar days after the extended MBS Delivery Date Deadline (the “Extension Deposit”), (c) delivering to the Trustee and the Rating Agency a Cash Flow Projection establishing the sufficiency of the Extension Deposit, and (d) delivering to the Trustee confirmation by the Rating Agency of the then-current rating on the Bonds. Extension Deposits may continue to be made by or on behalf of the Borrower until the MBS Delivery Date occurs or the Borrower declines to make an Extension Deposit resulting in the mandatory redemption of the Bonds described under the headings “Mandatory Redemption of Bonds — Mandatory Redemption Upon Failure to Convert or Failure to Purchase the MBS by the MBS Delivery Date Deadline” and “Mandatory Redemption of Bonds — Mandatory Redemption on the MBS Delivery Date,” as applicable; provided, however, the MBS Delivery Date Deadline may not be extended to a date that is later than the third anniversary of the Long Term-Mode Remarketing Date unless prior to any extension beyond such date there shall be filed with the Trustee and the Issuer an opinion of Bond Counsel to the effect that such extension will not, in and of itself, adversely affect the exclusion of interest on the Bonds from gross income for Federal income tax purposes. The cost of such opinion shall be the sole responsibility of the Borrower.

### **Conversion on or Prior to Termination Date; Delivery of MBS**

If the Conversion Date occurs on or prior to the Termination Date, the Borrower shall cause to be delivered to the Trustee (i) a Cash Flow Projection and (ii) Eligible Funds, if any, as set forth in the Cash Flow Projection.

The obligation of the Trustee to purchase the MBS on the MBS Delivery Date shall be subject to receipt by the Trustee of written notification from the Permanent Lender upon which the Trustee may conclusively rely and act without further investigation certifying that the MBS duly executed by Fannie Mae is available for purchase by the Trustee at the MBS Purchase Price, and the Trustee shall confirm that such MBS meets the following requirements:

(i) the MBS shall bear interest at the Pass-Through Rate payable on the 25th day of each month, commencing on the 25th day of the month following the month in which the Trustee purchases the MBS, or if any such 25th day is not a Business Day, the next succeeding Business Day, and mature on the MBS Maturity Date; and

(ii) the MBS shall be acquired by the Trustee on behalf of the Issuer, shall be held at all times by the Trustee in trust for the benefit of the Bondholders and shall be held only in book-entry form through the United States Federal Reserve Bank book-entry system, pursuant to which the MBS shall have been registered on the records of the Federal Reserve Bank in the name of the Trustee.

The MBS shall be registered in the name of the Trustee or its designee and the Trustee shall receive confirmation in writing that the depository is holding the MBS on behalf of, and has identified the MBS on its records as belonging to, the Trustee. Upon purchase of the MBS on the MBS Delivery Date, the Trustee shall post a notification to this effect on the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board.

### **Pledge of Trust Estate**

The pledge and assignment of and the security interest granted in the Trust Estate pursuant to the granting clauses of the Indenture for the payment of the principal of, premium, if any, and interest on the Bonds, in accordance with their terms and provisions, and for the payment of all other amounts due under the Indenture, shall attach, be perfected and be valid and binding from and after the time of the delivery of the Bonds by the Trustee or by any person authorized by the Trustee to deliver the Bonds. The Trust Estate so pledged and then or thereafter received by the Trustee shall immediately be subject to the lien of such pledge and security interest without any physical delivery thereof or further act, and the lien of such pledge and security interest shall be valid and binding and prior to the claims of any and all parties having claims of any kind in tort, contract or otherwise against the Issuer irrespective of whether such parties have notice thereof.

### **Establishment of Funds**

The Trustee shall establish, maintain and hold in trust the following funds, each of which shall be maintained by the Trustee as a separate and distinct fund or account, and each of which shall be disbursed and applied only as authorized in the Indenture:

- (a) Revenue Fund, including therein: (i) a Bond Account; (ii) a Negative Arbitrage Account; and (iii) a Remarketing Proceeds Account;
- (b) Costs of Issuance Fund, and therein, a Remarketing Expense Account;
- (c) Bond Proceeds Fund;
- (d) Rebate Fund;
- (e) Administration Fund; and
- (f) Collateral Fund.

The Trustee shall, at the written direction of an Authorized Borrower Representative and may, in its discretion, establish such additional accounts within any fund, and subaccounts within any of the accounts, as the Issuer or the Trustee may deem necessary or useful for the purpose of identifying more precisely the sources of payments into and disbursements from that fund and its accounts, or for the purpose of complying with the requirements of the Code, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of the Indenture with respect to a deposit or use of money in the respective Funds, or result in commingling of funds not permitted thereunder.

## **Application of Funds on MBS Delivery Date**

On the MBS Delivery Date, the Trustee shall remit to the Permanent Lender as payment for the MBS, an amount equal to the aggregate principal amount of the MBS (from amounts on deposit in the Collateral Fund and, to the extent sufficient funds are not otherwise available in the Collateral Fund, from the Bond Proceeds Fund), plus accrued and unpaid interest on the MBS at the Pass-Through Rate from the first of the month in which the MBS was delivered to, but not including, the MBS Delivery Date (from amounts on deposit in the Bond Account, and, to the extent amounts in the Bond Account are insufficient for such purposes, from the Negative Arbitrage Account therein).

## **Revenue Fund**

On each Short-Term Mode Bond Payment Date, the Trustee shall disburse from the Bond Account of the Revenue Fund (and, to the extent amounts therein are insufficient for such purposes, from the Negative Arbitrage Account) an amount equal to the amount of principal and interest due on the Bonds.

There shall be deposited into the Negative Arbitrage Account each Negative Arbitrage Deposit. Any Extension Deposit shall be deposited into the Negative Arbitrage Account.

There shall be deposited into the Bond Account of the Revenue Fund, as and when received, (i) following the MBS Delivery Date, all moneys received by the Trustee representing principal payments or repayments, and premium, if any, under the MBS, together with all other amounts required pursuant to the Indenture to be deposited therein, (ii) accrued interest on the MBS from the first (1st) day of the month in which the MBS is delivered, to the MBS Delivery Date, (iii) any other amounts specified in the Indenture, and (iv) all moneys received by the Trustee representing interest payments under the MBS, to be held therein pending distribution in accordance with the terms of the Indenture.

There shall be deposited into the Bond Account of the Revenue Fund all amounts paid by the Borrower pursuant to the Financing Agreement.

Following the Long-Term Mode Remarketing Date, on any Bond Payment Date that occurs prior to or during the month in which the MBS is delivered to the Trustee, the Trustee shall disburse from the Bond Account of the Revenue Fund (and, to the extent amounts in the Bond Account are insufficient for such purposes, from the Negative Arbitrage Account), an amount equal to the amount of principal, if any, and interest due on the Bonds on such Payment Date. On the first Business Day following the first Payment Date following the MBS Delivery Date, the Trustee shall transfer (i) from the Negative Arbitrage Account to the Bond Account of the Revenue Fund an amount that, when added to the balance therein, equals the amount required by the Rating Agency then rating the Bonds, and (ii) any remaining balance in the Negative Arbitrage Account to the Borrower.

On each Payment Date that occurs following the month in which the MBS is delivered to the Trustee, the Trustee shall disburse from the Bond Account of the Revenue Fund, the amount listed in the applicable maturity, sinking fund and interest payment schedule set forth in the Indenture. All payments of principal and interest shall be paid to Bond owners in proportion to the principal amount of Bonds owned by each Bond owner as set forth on the records of the Trustee at the close of business on the applicable Record Date.

If the Trustee does not receive a scheduled payment on the MBS by 5:00 p.m. Eastern Time on the 25th day of any month (or the next succeeding Business Day if such day of the month is not a Business Day), the Trustee shall promptly notify Fannie Mae and promptly demand payment under the terms of the guaranty thereof.

The Trustee is authorized to release Excess Funds (in excess of the amount required by the Rating Agency then rating the Bonds, if any) from the Revenue Fund to or upon the direction of the Borrower, upon receipt by the Trustee of (i) a written notice from the Borrower to the Trustee to release such Excess Funds, and (ii) a Cash Flow Projection acceptable to the Rating Agency and prepared in accordance with the terms of the Indenture.

## **Bond Proceeds Fund**

Upon (a) a deposit of Eligible Funds into the Collateral Fund, if any, as provided under the heading “Collateral Fund” below, (b) delivery of a corresponding requisition executed by an Authorized Borrower Representative (and approved by the Lender) in the form of an exhibit attached to the Financing Agreement and (c) subject to the provisions of the Indenture, the Trustee shall disburse proceeds of the Bonds from the Bond Proceeds Fund, in an amount equal to such corresponding deposit made into the Collateral Fund to fund Project Costs, pursuant to such requisition. Prior to making any such disbursement from the Bond Proceeds Fund, the Trustee shall confirm that the aggregate principal amount that will be held in both (a) the Collateral Fund and (b) the Bond Proceeds Fund, after the requested disbursement and including projected investments earnings thereon, will at least equal the then-Outstanding principal amount of the Bonds. Notwithstanding anything in the Indenture to the contrary, the Trustee shall not disburse money from the Bond Proceeds Fund (other than to pay amounts due with respect to the Bonds pursuant to the Indenture) unless and until Eligible Funds in an amount equal to or greater than the requested disbursement amount have been deposited into the Collateral Fund; provided, however, that the Trustee shall transfer funds from the Bond Proceeds Fund to the Collateral Fund upon receipt of an opinion of Bond Counsel to the effect that such transfer shall not cause the interest on any of the Bonds to be or become includible in the gross income of the owners thereof for federal income tax purposes. To the extent money on deposit in the Bond Proceeds Fund is invested in Eligible Investments that have not yet matured, the Trustee is authorized by the Indenture to make the following sales and exchanges, which sales and exchanges shall occur prior to the disbursement of amounts on deposit in the Bond Proceeds Fund to pay Project Costs without the need to sell or terminate such Eligible Investments prior to their stated maturity date: (a) sell all or a portion of the Eligible Investments in the Bond Proceeds Fund, in the amount specified in the request for disbursement, to the Collateral Fund for a price of par and (ii) transfer a like amount of available funds from the Collateral Fund to the Bond Proceeds Fund representing Bond proceeds as the purchase price thereof.

Upon the satisfaction of the provisions set forth in this section, the Trustee shall be irrevocably and unconditionally obligated to disburse Bond proceeds from the Bond Proceeds Fund equal to the amount deposited to the Collateral Fund, as set forth in the corresponding requisition and to the extent the Trustee is unable to do so, the Trustee shall return the amount deposited in the Collateral Fund, within one Business Day of receipt of such deposit to the party that made such deposit as set forth in the requisition.

To the extent sufficient funds are not otherwise available to the Trustee, including money on deposit in the applicable Account of the Revenue Fund, the Collateral Fund or the Negative Arbitrage Account, the Trustee shall transfer from the Bond Proceeds Fund to the applicable Account of the Revenue Fund sufficient money to pay amounts due on the Bonds pursuant to the Indenture, as applicable; provided, that prior to the Long-Term Mode Remarketing Date, the proceeds in the Bond Proceeds Fund shall only be transferred to pay amounts due on the Short-Term Mode Bonds.

On the MBS Delivery Date, amounts remaining in the Bond Proceeds Fund shall be used by the Trustee in the following order: (a) to the extent sufficient funds are not otherwise available in the Collateral Fund, to pay the MBS Purchase Price, (b) to transfer funds to the Bond Account of the Revenue Fund in an amount equal to the difference, if any, between (i) the aggregate principal amount of and interest due on the Bonds Outstanding as of the first day of the month in which the MBS Delivery Date occurs and (ii) the principal amount of the MBS purchased on the MBS Delivery Date, plus interest accrued but unpaid to the redemption date, for redemption pursuant to the Indenture, and (c) to pay any remaining Project Costs as approved by the Permanent Lender in writing.

## **Collateral Fund**

The Trustee shall deposit into the Collateral Fund all Eligible Funds received pursuant to the Financing Agreement and any other Eligible Funds received by the Trustee for deposit into the Collateral Fund. Except as permitted under the Indenture, the Financing Agreement requires the Borrower to cause Eligible Funds to be paid to the Trustee for deposit into the Collateral Fund in a principal amount equal to, and as a prerequisite to the disbursement of, the corresponding amount of Bond proceeds on deposit in the Accounts of the Bond Proceeds Fund to be disbursed by the Trustee to pay Project Costs.

Subject to the provisions of the Indenture, (a) prior to the Long-Term Mode Remarketing Date, each deposit into the Collateral Fund shall constitute an irrevocable deposit solely for the benefit of the holders of the Short-Term Mode Bonds, and (b) commencing on the Long-Term Mode Remarketing Date, each deposit into the Collateral Fund shall constitute an irrevocable deposit solely for the benefit of the holders of the Long-Term Mode Bonds.

Money in the Collateral Fund shall be used by the Trustee as follows: (a) to the extent money is not otherwise available, the Trustee shall transfer from the Collateral Fund to the applicable Account of the Revenue Fund an amount necessary to pay amounts due on the Bonds pursuant to the Indenture and (b) on the MBS Delivery Date, the Trustee shall use money in the Collateral Fund (and, to the extent there are not sufficient funds on deposit in the Collateral Fund, from the Bond Proceeds Fund) to pay for the principal amount of the MBS.

The Bonds shall not be, and shall not be deemed to be, paid or prepaid by reason of any deposit into the Collateral Fund unless and until the amount on deposit in the Collateral Fund is transferred to the applicable Account of the Revenue Fund and applied to the payment of the principal of any of the Bonds, or the principal component of the redemption price of any of the Bonds, all as provided in the Indenture.

### **Investment of Funds**

The moneys held by the Trustee shall constitute trust funds for the purposes of the Indenture. Any moneys attributable to each of the Funds and Accounts under the Indenture shall be invested by the Trustee at the written direction or telephonic direction (promptly confirmed in writing and such direction to specify the particular investments to be made) of the Borrower in Eligible Investments which, except as otherwise provided in the Indenture, mature or are redeemable at par, without penalty, on or before the date on which such funds are expected to be needed for the purposes for which they are held. Notwithstanding anything in the Indenture to the contrary except as otherwise set forth in this sentence, all amounts in the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund shall be invested solely in Eligible Investments; provided, however, that following the MBS Delivery Date, payments received with respect to the MBS shall be held uninvested. All investment earnings from amounts on deposit in the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund shall be credited to the applicable Account of the Revenue Fund. If the Trustee does not receive written direction or telephonic directions (promptly confirmed in writing) from the Borrower regarding the investment of funds, the Trustee shall invest solely in Eligible Investments described in clause (b) of the definition of Eligible Investments in the Indenture, which shall mature or be redeemable at par without penalty at the times set forth in the Indenture, initially First American Government Obligations Fund-Z Class. The Trustee may make any and all such investments through its own banking department or the banking department of any affiliate. The Trustee shall be entitled to assume, absent receipt by the Trustee of written notice to the contrary, that any investment which at the time of purchase is an Eligible Investment remains an Eligible Investment thereafter.

Eligible Investments representing an investment of moneys attributable to any Fund or Account shall be deemed at all times to be a part of such Fund. Subject to the following sentence, investments shall be sold at the best price obtainable (at least par) by the Trustee whenever it shall be necessary to do so in order to provide moneys to make any transfer, withdrawal, payment or disbursement from such Fund. Prior to the MBS Delivery Date, at the direction of the Borrower, the Trustee is permitted to invest in Eligible Investments that mature on or before the MBS Delivery Date Deadline but is not permitted to sell or otherwise dispose of such Eligible Investment prior to maturity at a price below par without first receiving (a) a Cash Flow Projection and (b) Eligible Funds, if any, as set forth in the Cash Flow Projection. In the case of any required transfer of moneys to another such Fund, such investments may be transferred to that Fund in lieu of the required moneys if permitted by the Indenture as an investment of moneys in that Fund. Following the Closing Date, at the direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything in the Indenture to the contrary, (a) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying debt service on the Bonds shall be held uninvested and (b) Bond proceeds and the Negative Arbitrage Deposit shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments.

All Eligible Investments acquired by the Trustee pursuant to the Indenture shall be purchased in the name of the Trustee and shall be held for the benefit of the Bondholders pursuant to the terms of the Indenture. The Trustee shall take such actions as shall be necessary to ensure that such Eligible Investments are held pursuant to the terms of the Indenture and are subject to the trust and security interest created in the Indenture.

The Trustee shall not be liable or responsible for any loss, fee, tax or other charge resulting from any investment, reinvestment or liquidation of any investment made in accordance with the Indenture. The Trustee or its affiliates may act as sponsor, principal or agent in the acquisition or disposition of investments. The Trustee may commingle investments made under the Funds and Accounts established under the Indenture, but shall account for each separately.

In computing for any purpose under the Indenture the amount in any Fund or Account on any date, obligations so purchased shall be valued at the lower of cost or par exclusive of accrued interest, and may be so valued as of any time within four (4) days prior to such date.

The Issuer acknowledges that regulations of the Comptroller of the Currency grant the Borrower the right to receive brokerage confirmations of the security transactions as they occur. The Borrower specifically waives such notification to the extent permitted by law and will receive periodic cash transaction statements that will detail all investment transactions.

### **Particular Covenants**

Payment of Bonds. Subject to the other provisions of the Indenture, the Issuer shall duly and punctually pay or cause to be paid, solely from amounts available in the Trust Estate, the principal of, premium, if any, and interest on the Bonds, at the dates and places and in the manner described in the Bonds, according to the true intent and meaning thereof. The Bonds are not a general obligation of the Issuer, but are payable solely from the Trust Estate.

The payment and other obligations of the Issuer with respect to the Bonds are intended to be, and shall be, independent of the payment and other obligations of the issuer or maker of the Bond Loan Note, the Mortgage Note and the MBS, even though the principal amount of all three instruments is expected to be identical, except in the case of a default with respect to one or more of the instruments.

Tax Covenants. The Issuer shall not take any action that will cause the interest paid on the Bonds to be includable in gross income for federal income tax purposes. In furtherance of the foregoing covenant, the Issuer particularly covenants and agrees with the Bondholders as follows:

(a) No part of the proceeds of the Bonds or any other funds of the Issuer shall be used by the Issuer at any time directly or indirectly to acquire securities or obligations, the acquisition of which, or which in any other manner, would cause any Bond to be an arbitrage bond as defined in Section 148 of the Code and any applicable Regulations promulgated thereunder.

(b) The Issuer will not knowingly take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code and any applicable Regulations promulgated thereunder.

In the event of a conflict between the provisions set forth under this sub-heading “Tax Covenants” and the Tax Certificate, the provisions of the Tax Certificate shall control.

Extension of Payment of Bonds. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of the principal due on any of the Bonds or the time of payment of interest due on the Bonds, and if the time for payment of any such claims for interest shall be extended through any other means, such Bonds or claims for interest shall not be entitled in case of any default under the Indenture to any payment out of the Trust Estate or the funds (except funds held in trust for the payment of particular Bonds pursuant to the Indenture) held by the Trustee, except subject to the provisions of the Indenture and subject to the prior payment of the principal of all Bonds issued and Outstanding the maturity of which has occurred and has not been extended and of such portion of the accrued interest on the Bonds which is not represented by such extended claims for interest.

If an Extension Deposit has not been made pursuant to the Indenture, such that the aggregate balance in the Collateral Fund, the Bond Proceeds Fund and the Bond Account of the Revenue Fund is equal to 100% of the principal amount of the Bonds plus interest accrued on the Bonds to the date which is five (5) calendar days following the MBS

Delivery Date Deadline (as such date may be extended under the Indenture), then the Bonds shall be subject to mandatory redemption as set forth in the Indenture.

## **Discharge of Indenture**

### Defeasance.

(a) If all Bonds shall be paid and discharged as provided in this section, then all obligations of the Trustee and the Issuer under the Indenture with respect to all Bonds shall cease and terminate, except only (x) the obligation of the Trustee to pay or cause to be paid to the owners thereof all sums due with respect to the Bonds and to register, transfer and exchange Bonds pursuant to the Indenture, (y) the obligation of the Issuer to pay the amounts owing to the Trustee under the Indenture from the Trust Estate, and (z) the obligation of the Issuer to comply with the Indenture. Any funds held by the Trustee at the time of such termination which are not required for payment to Bondholders or for payment to be made by the Issuer, shall be paid as provided in the Indenture.

Any Bond or portion thereof in an Authorized Denomination shall be deemed no longer Outstanding under the Indenture if paid or discharged in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of, premium, if any, and interest on such Bond which have become due and payable; or

(ii) by depositing with the Trustee, in trust, cash which, together with the amounts then on deposit in the Revenue Fund and dedicated to this purpose, is fully sufficient to pay when due all principal of, and premium, if any, and interest on such Bond to the maturity or earlier redemption date thereof; or

(iii) by depositing with the Trustee, in trust, any investments listed under the definition of Eligible Investments “APPENDIX B — DEFINITIONS OF CERTAIN TERMS,” or a combination of cash and such investments, in such amount as in the written opinion of a certified public accountant or nationally recognized verification agent will, together with the interest to accrue on such Eligible Investments without the need for reinvestment, be fully sufficient to pay when due all principal of, and premium, if any, and interest on such Bond to the maturity or earlier redemption date thereof, notwithstanding that such Bond shall not have been surrendered for payment.

(b) Notwithstanding the foregoing, no deposit under clauses (ii) and (iii) of the second paragraph of subsection (a) above shall be deemed a payment of such Bond until the earlier to occur of:

(i) if such Bond is by its terms subject to redemption within 45 days, proper notice of redemption of such Bond shall have been previously given in accordance with the Indenture to the holder thereof or, in the event such Bond is not by its terms subject to redemption within 45 days of making the deposit under clauses (ii) and (iii) of the second paragraph of subsection (a) above, the Issuer shall have given the Trustee irrevocable written instructions to mail by first-class mail, postage prepaid, notice to the holder of such Bond as soon as practicable stating that the deposit required by clauses (ii) or (iii) of the second paragraph of subsection (a) above, as applicable, has been made with the Trustee and that such Bond is deemed to have been paid and further stating such redemption date or dates upon which money will be available for the payment of the principal and accrued interest thereon; or

(ii) the maturity of such Bond.

(c) The Trustee shall be entitled to receive a report from a nationally recognized accounting firm or other nationally recognized verification agent to provide for the payment of all Bonds to be defeased pursuant to this section.

## **Defaults and Remedies**

Events of Default. Each of the following events shall constitute an Event of Default under the Indenture:

(a) On and after the MBS Delivery Date, failure by Fannie Mae to pay principal, interest or premium, if any, due under the MBS (upon such failure, the Trustee shall notify Fannie Mae not later than the next Business Day (all such notices to be promptly confirmed in writing) and require the failure to be remedied);

(b) Failure to pay the principal, interest or premium, if any, on the Bonds when the same shall become due; or

(c) Default in the observance or performance of any other covenant, agreement or condition on the part of the Issuer in the Indenture and the continuation of such default for a period of 90 days after written notice to the Issuer from the Trustee or the registered owners of not less than 75% in aggregate principal amount of the Bonds Outstanding at such time specifying such default and requiring the same to be remedied.

The Trustee will promptly notify in writing the Issuer, the Bondholders, the Permanent Lender, the Construction Lender (but only prior to the Conversion Date) and Fannie Mae, after an Authorized Officer obtains knowledge or receives notice of the occurrence of an Event of Default or an event which would become an Event of Default with the passage of time or the giving of notice, or both.

Acceleration; Rescission of Acceleration.

(a) Upon (i) the occurrence of an Event of Default under item (a) under the heading “Defaults and Remedies – Events of Default,” above, or (ii) prior to the MBS Delivery Date, the occurrence of an Event of Default under item (b) under the heading “Defaults and Remedies – Events of Default,” above with respect to the Bonds, the Trustee may, and upon the written request of the holders of not less than seventy-five percent (75%) in aggregate principal amount of the Bonds Outstanding, shall declare (and shall deliver written notice of such declaration to the Issuer, the Lender, the Borrower and Fannie Mae the principal of all Bonds Outstanding, premium, if any, and the interest accrued thereon immediately due and payable.)

(b) An Event of Default (i) following the MBS Delivery Date, under items (b) or (c) under the heading “Defaults and Remedies – Events of Default,” above shall not give rise to an acceleration pursuant to this section, provided, however, that following such an Event of Default, the holder(s) of one hundred percent (100%) of the Bonds Outstanding may direct the Trustee in writing to transfer the MBS to it or its designee, in which case, the Trustee shall transfer and deliver to such requesting Beneficial Owner the Trustee’s beneficial ownership interest in the MBS. The transfer described in this section shall take effect as set forth in the Indenture, and shall be governed by, the following terms:

(i) The Trustee shall transfer and deliver to such requesting owner the Trustee’s beneficial ownership interest in the MBS promptly following (i) delivery to the Trustee (via DTC withdrawal) of the Bonds being exchanged, and (ii) payment by the requesting owner of the Trustee’s exchange fee (\$1,000) with respect to such Bonds;

(ii) The MBS will be in book-entry form;

(iii) Transfers of the MBS will be made in accordance with current market practices, including the applicable provisions of the SIFMA’s Uniform Practices for the Clearance and Settlement of Mortgage Backed Securities and Other Related Securities;

(iv) Upon receipt of such Bonds from the requesting Beneficial Owner, the Trustee will promptly cancel the Bonds being exchanged, which will not be reissued;

(v) An MBS delivered in such an exchange will not be exchangeable for Bonds;

(vi) The MBS delivered in such an exchange will also be subject to any applicable disclosure requirements concerning MBSs that have been issued in connection with the multifamily mortgage lending program of a governmental housing finance agency and financed by tax-exempt obligations; and

(vii) Interest on such MBS is not excludable from gross income for federal income tax purposes.

(c) The acceleration of the Bonds will not constitute a default under, or by itself cause the acceleration of, the MBS. If at any time after the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the money due shall have been obtained or entered, the Issuer (to the extent such funds are provided to the Issuer for such purpose), the Borrower or Fannie Mae, as applicable, shall pay to or deposit with the Trustee a sum sufficient to pay all principal of the Bonds then due (other than solely by reason of such declaration) and all unpaid installments of interest (if any) on all the Bonds then due with interest at the rate borne by the Bonds on such overdue principal and (to the extent legally enforceable) on such overdue installments of interest, and the reasonable expenses of the Trustee shall have been made good or cured or adequate provisions shall have been made therefor, and all other defaults hereunder have been made good or cured or waived in writing by the holders of a majority in principal amount of the Bonds Outstanding, then and in every case, the Trustee on behalf of the holders of all the Bonds shall rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent Event of Default, nor shall it impair or exhaust any right or power consequent thereon.

Other Remedies; Rights of Bondholders. Subject to the Indenture, upon the happening and continuance of an Event of Default, the Trustee in its own name and as trustee of an express trust, on behalf and for the benefit and protection of the holders of the Bonds may also proceed to protect and enforce any rights of the Trustee and, to the full extent that the holders of such Bonds themselves might do, the rights of such Bondholders under the laws of the State or under the Indenture by such of the following remedies as the Trustee shall deem most effectual to protect and enforce such rights:

(a) By pursuing any available remedies under the Financing Agreement, the Regulatory Agreement or the MBS; provided, that available remedies under the MBS may only be pursued following an Event of Default under items (a) or (b) under the heading “Defaults and Remedies – Events of Default,” above, with respect to the Bonds;

(b) Upon an Event of Default under paragraph (a) under the heading “Events of Default” above only, by realizing or causing to be realized through sale or otherwise upon the security pledged under the Indenture (including the sale or disposition of the MBS); and

(c) By action or suit in equity, to enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders and to execute any other papers and documents and do and perform any and all such acts and things as may be necessary or advisable in the opinion of the Trustee in order to have the respective claims of the Bondholders against the Issuer allowed in any bankruptcy or other proceeding.

If an Event of Default shall have occurred, and if requested by the holders of not less than 75% (or 100% as set forth in paragraph (b) under “Acceleration; Rescission of Acceleration” above) in aggregate principal amount of the Bonds then Outstanding, and upon being indemnified to its satisfaction, the Trustee shall be obligated to exercise one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by counsel, shall deem to be in the best interests of the Bondholders subject to the limitations set forth above and in the Indenture.

No right or remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other right or remedy, but each and every such right and remedy shall be cumulative and shall be in addition to any other right or remedy given to the Trustee or to the Bondholders under the Indenture, the Financing Agreement, or the MBS or now or thereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or

acquiescence therein and every such right and power may be exercised from time to time as often as may be deemed expedient.

No waiver of any default or Event of Default under the Indenture, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

For avoidance of doubt, no Event of Default with respect to the Long-Term Mode Bonds shall, by itself, constitute an Event of Default with respect to the Short-Term Mode Bonds, and vice versa.

Waivers of Events of Default. The Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of, premium, if any, and interest on the Bonds upon the written request of the holders of a majority in aggregate principal amount of all Bonds Outstanding with respect to which there is an Event of Default; provided, however, that there shall not be waived (a) any default in the payment of the principal amount of any such Bonds at the date of maturity specified therein or upon proceedings for mandatory redemption, or (b) any default in the payment when due of the interest or premium, if any, on any such Bonds, unless prior to such waiver or rescission all arrears of interest, with interest (to the extent permitted by law) at the rate borne by such Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest or all arrears of payments of principal or premium, if any, when due (whether at the stated maturity thereof or upon proceedings for mandatory redemption) as the case may be, and all expenses of the Trustee in connection with such monetary default, shall have been paid or provided for, and in case of any such waiver or rescission, the Issuer, the Borrower, the Trustee and such Bondholders shall be restored to their former positions and rights under the Indenture respectively.

No such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereto; and no delay or omission of the Trustee or of any Bondholders to exercise any right or power accruing upon any Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default, or acquiescence therein.

Termination of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason or determined adversely to the Trustee, then in every such case the Issuer, the Borrower, the Trustee and the Bondholders shall be restored to their former positions and rights under the Indenture, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

### **Concerning the Trustee**

Trustee. U.S. Bank Trust Company, National Association, a national banking association, is appointed by the Indenture as Trustee. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Indenture by executing the Indenture.

Acceptance of the Trusts. The Trustee shall not be responsible for any recital in the Indenture, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or for insuring the Project or collecting any insurance moneys, or for the registration, filing or recording or re-registration, re-filing or re-recording of the Indenture or the Mortgage or any financing statements relating to the Indenture or the Mortgage or for the validity of the execution by the Issuer of the Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued under the Indenture or intended to be secured thereby, or for the value or title of the Project or otherwise as to the maintenance of the security thereof. The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer or on the part of the Borrower under the Financing Agreement, except as set forth in the Indenture; but the Trustee may require of the Issuer or the Borrower full information and advice as to their performance of the covenants, conditions and agreements aforesaid. The Trustee acknowledges it has assumed certain duties of the Issuer under the Financing Agreement.

Fees, Charges and Expenses of Trustee. Notwithstanding any provision to the contrary in the Indenture, but subject to the limitations set forth in the Extraordinary Trustee Fees and Expenses as defined in the Indenture, the Trustee shall be entitled to payment for reasonable fees for its services rendered under the Indenture and the Financing Agreement and reimbursement for all advances, counsel fees and other expenses reasonably made or incurred by the Trustee (including any co-Trustee) in connection with such services which shall be paid from time to time as provided in the Financing Agreement; provided that no such amounts shall be paid to the Trustee from the proceeds of the MBS. Prior to the MBS Delivery Date, upon an Event of Default under paragraph (b) under the heading "Events of Default" above, or after the MBS Delivery Date, upon an Event of Default under paragraph (a) under the heading "Events of Default" as a result of a failure by Fannie Mae to make payment under the MBS, but only upon such an Event of Default, the Trustee shall have a lien upon the Trust Estate for Extraordinary Trustee Fees and Expenses incurred by it. The Issuer shall require the Borrower to indemnify and save harmless the Trustee against any liability including any incidental, indirect, special, consequential or punitive damages or penalties thereto (including, but not limited to lost profits), even if the Trustee has been advised of the likelihood of such damages or penalty and regardless of the form of action, which the Trustee may incur in the exercise and performance of its powers and duties under the Indenture and the Financing Agreement which are not due to its own negligence or willful misconduct, and to reimburse the Trustee for any fees and expenses of the Trustee to the extent they exceed funds available under the Indenture for the payment thereof, subject only to the right of the Borrower to contest the reasonableness of any such fees or the necessity for any such expenses. The Trustee shall continue to perform its duties and obligations under the Indenture until such time as its resignation or removal is effective pursuant to the Indenture.

Merger or Consolidation of Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto shall be and become successor Trustee under the Indenture and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties to the Indenture, anything in the Indenture to the contrary notwithstanding.

Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts created by the Indenture by giving 30 calendar days' written notice to the Issuer, the Construction Lender (but only prior to the Conversion Date) and Fannie Mae, and such resignation shall only take effect upon the appointment, pursuant to the Indenture, of, and acceptance by, a successor Trustee. The successor Trustee shall give notice of such succession by first class mail, postage prepaid, to each Bondholder at the address of such Bondholder shown on the Bond Register.

Removal of Trustee. The Trustee shall be removed by the Issuer (a) upon receipt of the written request of the owners of a majority in principal amount of the Bonds then Outstanding or (b) if at any time the Trustee shall cease to satisfy the eligibility requirements of a Successor Trustee in accordance with the provisions of the Indenture; provided, that Fannie Mae may request that the Issuer remove the Trustee for cause and the Issuer shall evaluate such request and shall determine, in its sole discretion, whether to remove the Trustee. The Issuer may remove the Trustee at any time, except during the existence of an Event of Default, for such cause as shall be determined in the sole discretion of the Issuer, or for no cause whatsoever, by filing with the Trustee an instrument signed by an Authorized Officer. Such removal shall then discharge the Trustee of future duties and obligations under the Indenture other than as provided therein. In no event, however, may such removal take effect until a successor Trustee shall have been appointed pursuant to the Indenture.

Appointment of Successor Trustee. In case at any time the Trustee or any successor thereto shall resign or shall be removed or shall become incapable of acting, or shall be adjudged as bankrupt or insolvent, or if a receiver, liquidator or conservator of such Trustee or of its property shall be appointed, or if any public officer shall take charge or control of such Trustee or of its property or affairs, the Issuer covenants and agrees that it will thereupon appoint a successor Trustee. The Issuer shall mail notice of any such appointment to registered owners of Bonds, such mailing to be made within 20 days after such appointment. The Issuer shall use its best efforts to appoint a successor Trustee before any resignation or removal of the Trustee is scheduled to become effective. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 90 days after the giving of notice of removal or resignation, the incumbent Trustee or the Borrower may petition, at the expense of the Borrower, any court of competent jurisdiction for the appointment of a successor Trustee.

Any Trustee appointed under the provisions of this section in succession to the Trustee shall be a trust company, bank having the powers of a trust company within or outside the State, having a capital and surplus aggregating at least \$50,000,000 and have a long-term debt rating from a Rating Agency of at least “BBB” or the equivalent.

Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under the Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Issuer and Fannie Mae, and any Bondholder which shall request the same, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if named in the Indenture as such Trustee, but the Trustee ceasing to act shall nevertheless, on the written request of the Issuer, Fannie Mae or the successor Trustee, and upon payment to it of all amounts owed to it under the Indenture, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as reasonably may be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any properties held by it under the Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions set forth in the Indenture. Should any deed, conveyance or instrument in writing from the Issuer be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such moneys, estates, properties, rights, powers and duties, any and all such deeds, conveyances and instruments in writing, on request, and so far as may be authorized by law, shall be executed, acknowledged and delivered by the Issuer.

Collection of MBS Payments. Following the MBS Delivery Date, the Trustee shall cause the MBS to be registered in the name of the Trustee or in the name of the nominee of the Trustee with such additional recitals as appropriate to indicate that the MBS is to be held by the Trustee in its capacity as Trustee under the Indenture subject to the provisions of the Indenture. In the event that any amount payable to the Trustee under the MBS is not received by the Trustee within one Business Day of the date such payment is due, the Trustee shall notify Fannie Mae or (if directed by Fannie Mae) the paying agent for the MBS by telephone (such notification to be promptly confirmed by Electronic Means) that such payment has not been received in a timely manner and request that such payment be made by wire transfer of immediately available funds to the account of the Trustee or such custodian, as the case may be.

### **Supplemental Indentures**

Supplemental Indentures Effective upon Acceptance. For any one or more of the following purposes and at any time or from time to time, the Issuer and the Trustee may enter into a Supplemental Indenture which, upon the execution and delivery thereof by the Issuer and by the Trustee, and with the prior written consent of Fannie Mae (but only following the Long-Term Mode Remarketing), the Permanent Lender and the Construction Lender (but only prior to the Conversion Date), but without the necessity of consent of the Bondholders, shall be fully effective in accordance with its terms:

- (a) To add to the covenants or agreements of the Issuer contained in the Indenture other covenants or agreements to be observed by the Issuer or to otherwise revise or amend the Indenture in a manner which are/is not materially adverse to the interests of the Bondholders;
- (b) To add to the limitations or restrictions contained in the Indenture other limitations or restrictions to be observed by the Issuer which are not contrary to or inconsistent with the provisions of the Indenture as theretofore in effect;
- (c) To surrender any right, power or privilege reserved to or conferred upon the Issuer in the Indenture, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Issuer contained in the Indenture and is not materially adverse to the interests of the Bondholders;
- (d) To confirm, as further assurance, any pledge of the Trust Estate under the Indenture and the subjection to any lien on or pledge of the Trust Estate created or to be created by the Indenture;

- (e) To appoint a co-trustee or successor Trustee or successor co-trustee;
- (f) To cure any ambiguity, supply any omission or cure or correct any defect or inconsistent provision in the Indenture;
- (g) To insert such provisions clarifying matters or questions arising under the Indenture as are necessary or desirable and are not materially adverse to the interests of the Bondholders; and
- (h) To make such changes and modifications that are necessary or desirable to provide for all interest, principal and premium, if any, paid with respect to the Bonds are in the exact respective amounts of the payments of interest, principal and premium, if any, paid under and pursuant to the MBS.

Supplemental Indentures Requiring Consent of Bondholders. In addition to those amendments to the Indenture which are authorized under the heading “Supplemental Indentures Effective Upon Acceptance” above, any modification or amendment of the Indenture may be made by a Supplemental Indenture with the written consent, given as hereinafter provided under the heading “Consent of Bondholders” below, of Fannie Mae (but only following the Long-Term Mode Remarketing) and the holders of at least two thirds in aggregate principal amount of the Bonds Outstanding at the time such consent is given; provided, however, that no such modification or amendment shall (a) permit a change in the terms of redemption or maturity of the principal amount of any Outstanding Bond or an extension of the date for payment of any installment of interest thereon or a reduction in the principal amount of, premium, if any, or the rate of interest on any Outstanding Bond without the consent of the holder of such Bond, (b) reduce the proportion of Bonds the consent of the holders of which is required to effect any such modification or amendment or to effectuate an acceleration of the Bonds prior to maturity, (c) permit the creation of a lien on the Trust Estate pledged under the Indenture prior to or on a parity with the lien of the Indenture, (d) deprive the holders of the Bonds of the lien created by the Indenture upon the Trust Estate (except as expressly provided in the Indenture), without (with respect to paragraphs (b) through (d)) the consent of the holders of all Bonds then Outstanding, or (e) change or modify any of the rights or obligations of the Trustee without the written consent thereto of the Trustee.

Consent of Bondholders. The Issuer and the Trustee may, at any time, execute and deliver a Supplemental Indenture making a modification or amendment permitted by the provisions under the heading “Supplemental Indentures Requiring Consent of Bondholders” above, to take effect when and as provided in this section. A copy of such Supplemental Indenture (or brief summary thereof prepared by the Issuer or reference thereto in a form approved by the Trustee), together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Trustee to the Bondholders. Such Supplemental Indenture shall not be effective unless there shall have been filed with the Trustee (a) the written consents of Fannie Mae (but only following the Long-Term Mode Remarketing) and the holders of the proportion of Outstanding Bonds specified under the heading “Supplemental Indentures Requiring Consent of Bondholders” above, and (b) an Opinion of Bond Counsel stating that such Supplemental Indenture has been duly and lawfully entered into by the Issuer in accordance with the provisions of the Indenture, is authorized or permitted by the provisions of the Indenture, and, when effective, will be valid and binding upon the Issuer. Each such consent of the Bondholders shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by the Indenture. A certificate or certificates by the Trustee that it has examined such proof and that such proof is sufficient under the provisions of the Indenture shall be conclusive that the consents have been given by the holders of the Bonds described in such certificate or certificates. Any such consent shall be binding upon the holder of the Bonds giving such consent and upon any subsequent holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent holder thereof has notice thereof). At any time after the holders of the required proportion of Bonds shall have filed their consents to such Supplemental Indenture, the Trustee shall make and file with the Issuer a written statement that the holders of such required proportion of Bonds have filed and given such consents. Such written statement shall be conclusive that such consents have been so filed and have been given. Within 90 days after filing such statement, the Trustee shall mail to the Bondholders a notice stating in substance that such Supplemental Indenture (which may be referred to as a Supplemental Indenture executed by the Issuer on a stated date, a copy of which is on file with the Trustee) has been consented to by the holders of the required proportion of Bonds and will be effective as provided in this section, but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as provided in this section. The Trustee shall file with the Issuer proof of the mailing of such notice to the Bondholders. A record, consisting of the papers required or permitted by this section to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental

Indenture making such modification or amendment shall be deemed conclusively binding upon the Issuer, the Trustee and the holders of all Bonds upon the execution thereof and the filing by the Trustee with the Issuer of the statement that the required proportion of Bondholders have consented thereto.

The Issuer may conclusively rely upon the Trustee's determination that the requirements of this section have been satisfied.

Modification by Unanimous Consent. Notwithstanding anything contained in the foregoing provisions of the Indenture, the terms and provisions of the Indenture and the rights and obligations of the Issuer and the Bondholders under the Indenture, in any particular, may be modified or amended in any respect upon execution and delivery of a Supplemental Indenture by the Issuer and the Trustee making such modification or amendment and the consent to such Supplemental Indenture of Fannie Mae (but only following the Long-Term Mode Remarketing), the Permanent Lender, the Construction Lender (but only prior to the Conversion Date) and the holders of all of the Bonds Outstanding, such consent to be given and proved as provided under the heading "Consent of Bondholders" above except that no notice to Bondholders shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of the Trustee without the written assent thereto of the Trustee, in addition to the consent of the Bondholders.

### **Miscellaneous Provisions**

No Recourse on Bonds; Special Obligations. All covenants, stipulations, promises, agreements and obligations of the Issuer contained in the Indenture shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer and not of any of its officers or employees or members of its governing body, past, present or future, in his or her individual capacity, and no recourse shall be had for the payment of the principal of, premium, if any, or Redemption Price or purchase price of or interest on the Bonds or for any claim based thereon or on the Indenture or any other Issuer Document or the Financing Documents against any such member, officer, employee or agent of the Issuer, past, present or future, or any natural person executing the Bonds.

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**APPENDIX D**  
**SUMMARY OF CERTAIN PROVISIONS OF THE FINANCING AGREEMENT**

*The following is a summary of certain provisions of the Financing Agreement which are not described elsewhere in this Remarketing Statement. This summary does not purport to be comprehensive, and reference should be made to the Financing Agreement for a full and complete statement of its provisions.*

**Definitions**

Capitalized terms used but not defined herein shall have the meanings given them in the Indenture and the Financing Agreement.

**General Terms of the Financing**

The Issuer has authorized the issuance of the Bonds in the aggregate principal amount set forth in the Financing Agreement. The obligations of the Issuer, the Trustee and the Borrower under the Financing Agreement are expressly conditioned upon (a) the sale, issuance and delivery of the Bonds and (b) receipt by the Trustee of the amounts set forth in the Indenture. None of the Issuer, the Lender, the Trustee or Fannie Mae (but only on the Long-Term Mode Remarketing Date) shall have any liability for any fees, costs or expenses, including, without limitation, issuance costs relating to the Bonds; all of such fees, costs and expenses shall be paid by the Borrower.

The Bonds will be issued pursuant to the Indenture in the aggregate principal amount, will bear interest, will mature and will be subject to redemption, mandatory tender and remarketing as set forth therein. The Borrower hereby approves the terms and conditions of the Indenture and the Bonds, and the terms and conditions under which the Bonds will be issued, sold and delivered and will comply with those provisions of the Indenture that contemplate action by the Borrower, all as if the Borrower were a party to the Indenture.

**Sources, Deposits and Uses**

On and following the Remarketing Date, the Trustee shall apply the amounts deposited into the Bond Proceeds Fund and the Collateral Fund as provided in the Indenture until the MBS Delivery Date and then to purchase the MBS. The Borrower will accept the Construction Loan from the Construction Lender, upon the terms and conditions set forth in the Construction Loan Documents. The Borrower will accept the Permanent Loan from the Permanent Lender, upon the terms and conditions set forth in the Financing Agreement, in the Permanent Loan Documents and in the Indenture, and subject to the terms and conditions of the Regulatory Agreement. The Issuer has caused the proceeds of the Bonds to be provided to the Trustee for deposit to the Accounts in the Bond Proceeds Fund. The Borrower acknowledges its obligation to pay all amounts necessary to pay principal of, premium, if any, and interest on the Bonds as provided in the Indenture. Following the Remarketing Date, the Borrower will make arrangements for the delivery to the Trustee of the Bond Proceeds, the MBS and of certain other Eligible Funds as contemplated in the Financing Agreement and the Indenture. Payments on the MBS received by the Trustee shall be credited to amounts due from the Borrower for payment of principal of, premium, if any, and interest on the Long-Term Mode Bonds.

**Notification of Prepayment of Bond Loan Note and Mortgage Note**

The Borrower shall notify the Trustee promptly of any prepayment of the Bond Loan Note and the Mortgage Note, whether upon acceleration, by reason of application of insurance or condemnation proceeds, optional prepayment or otherwise. If such prepayment of the Bond Loan Note or the Mortgage Note results in revisions to the Permanent Loan Amortization Schedule, the Borrower shall direct the Permanent Lender to provide to the Trustee the revised Permanent Loan Amortization Schedule.

**Collateral Payments**

In consideration of and as a condition to the disbursement of Bond proceeds in the Bond Proceeds Fund to pay Project Costs, the Borrower shall cause the delivery to the Trustee of Eligible Funds equal to the amount of the

proposed disbursement on or before each such disbursement. All such Eligible Funds shall be paid to the Trustee for the account of the Issuer and shall be held in the applicable Account of the Collateral Fund and disbursed in accordance with the provisions of the Indenture.

### **Disbursements from the Bond Proceeds Fund**

Subject to the provisions below and so long as no Event of Default under the Financing Agreement has occurred and is continuing for which the principal amount of the Bonds has been declared to be immediately due and payable pursuant to the Financing Agreement and the Indenture, and no Determination of Taxability has occurred, disbursements from the Bond Proceeds Fund shall be made only to pay Project Costs.

Except as otherwise permitted under the Indenture, any disbursements from the Bond Proceeds Fund for the payment of Project Costs shall be made by the Trustee only upon the receipt by the Trustee of: (a) a signed requisition in the form attached to the Financing Agreement as an exhibit, on which the Trustee may conclusively rely; and (b) Eligible Funds in an amount equal to the amount of any such disbursement request for deposit into the Account of the Collateral Fund corresponding to the Bonds, the proceeds of which are to be disbursed, as described under the heading "Collateral Payments" above. The Borrower acknowledges and agrees that it shall submit disbursement requests to the Trustee no more frequently than once each calendar month. Each such disbursement request shall be consecutively numbered and accompanied by a copy of the approval of the Lender of the payments or reimbursements requested. Proceeds of the Bonds disbursed pursuant to the provisions of the Financing Agreement may only be used to pay the Project Costs or as otherwise permitted under the Indenture.

Any disbursement for any item not described in, or the cost for which item is other than as described in, the information statement filed by the Issuer in connection with the issuance of the Bonds as required by Section 149(e) of the Code, and in the notice of public hearing pertaining to the Bonds shall be accompanied by an opinion of Bond Counsel to the effect that such disbursement will not adversely affect the status of the interest on the Bonds as excludable from gross income for federal income tax purposes of the Bondholders (except on Bonds while held by a substantial user or related person, each as defined in the Code).

Any money in the Bond Proceeds Fund remaining after the MBS Delivery Date shall be applied as set forth under the Indenture.

### **Limitations on Disbursements**

Notwithstanding any provision of the Financing Agreement or any provision of the Indenture to the contrary, except as otherwise permitted under the Indenture, the Trustee shall not disburse funds from the Bond Proceeds Fund unless and until the Trustee confirms that Eligible Funds in the Collateral Fund plus Eligible Funds in the Bond Proceeds Fund, less the amount of the requested disbursement from the Bond Proceeds Fund, is at least equal to the then-Outstanding principal amount of the Bonds; provided, however, that the Trustee shall be permitted to transfer funds from the Bond Proceeds Fund to the Collateral Fund upon receipt of an opinion of Bond Counsel to the effect that such transfer shall not cause the interest on any of the Bonds to be or become includible in the gross income of the owners thereof for federal income tax purposes, provided further that the result of such transfer is that the amount of Eligible Funds remaining on deposit in the Bond Proceeds Fund plus Eligible Funds on deposit in the Collateral Fund is at least equal to the then Outstanding principal amount of the Bonds.

### **Events of Default**

Each of the following shall constitute an event of default under the Financing Agreement, and the term "Event of Default" shall mean, whenever used in the Financing Agreement, any one or more of the following events:

- (i) Failure by the Borrower to pay any amounts due under the Financing Agreement at the times and in the amounts required by the Financing Agreement; or
- (ii) Failure by the Borrower to observe or perform any covenants, agreements or obligations in the Financing Agreement on its part to be observed or performed (other than as provided in clause (i))

above) for a period of thirty (30) days after receipt of written notice specifying such failure and requesting that it be remedied, given to the Borrower by any party to the Financing Agreement; provided, however, that if said failure shall be such that it cannot be corrected within such period, it shall not constitute an Event of Default if the failure is correctable without material adverse effect on the Bonds and if corrective action is instituted by the Borrower within such period and diligently pursued until the failure is corrected, and provided further that any such failure shall have been cured within ninety (90) days of receipt of notice of such failure; or

(iii) Breach of any of the covenants, agreements or obligations of the Borrower under or the occurrence of a default which is continuing under the Regulatory Agreement, including any exhibits to any of the foregoing; or

(iv) The occurrence of an Event of Default caused by the Borrower under and as defined in the Indenture or under any of the other Financing Documents.

Nothing contained in this section is intended to amend or modify any of the provisions of the Permanent Loan Documents or to bind the Borrower, the Permanent Lender or Fannie Mae to any notice and cure periods other than as expressly set forth in the Permanent Loan Documents.

### **Remedies Upon an Event of Default**

(a) Subject to subsection (d) below, whenever any Event of Default shall have occurred and be continuing, the Issuer or the Trustee may take any one or more of the following remedial steps:

(i) By any suit, action or proceeding, pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under the Financing Agreement and the Bond Loan Note, to enforce the performance of any covenant, obligation or agreement of the Borrower under the Financing Agreement and the Bond Loan Note (subject to the nonrecourse provisions of the Financing Agreement and the Regulatory Agreement), or to enjoin acts or things which may be unlawful or in violation of the rights of the Issuer or the Trustee.

(ii) Take whatever other action at law or in equity may appear necessary or desirable to enforce any monetary obligation of the Borrower under the Financing Agreement and the Bond Loan Note or to enforce any other covenant, obligation or agreement of the Borrower under (A) the Financing Agreement, (B) the Regulatory Agreement, or (C) the Bond Loan Note.

(iii) Have access to and inspect, examine, audit and make copies of the books and records and any and all accounts, data and income tax and other tax returns of the Borrower.

(b) The provisions of subsection (a) of this section are subject to the condition that if, after any Event of Default, except a default under the Regulatory Agreement, (i) all amounts which would then be payable under the Financing Agreement by the Borrower if such Event of Default had not occurred and was not continuing shall have been paid by or on behalf of the Borrower, and (ii) the Borrower shall have also performed all other obligations in respect of which it is then in default under the Financing Agreement and shall have paid the reasonable charges and expenses of the Issuer and the Trustee, including reasonable attorney fees and expenses paid or incurred in connection with such default, then and in every such case, such Event of Default shall be waived and annulled by the Trustee, but no such waiver or annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

(c) Subject to the limitations of the Regulatory Agreement and the Financing Agreement, the Issuer, without the consent of the Trustee, but only after written notice to the Trustee, the Borrower, the Permanent Lender and Fannie Mae, may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any Reserved Right of the Issuer; provided that, the Issuer may not (i) terminate the Financing Agreement or cause the Permanent Loan to become due and payable, (ii) cause the Trustee to declare the principal of all Bonds then Outstanding and the interest accrued thereon to be immediately due and payable, or cause

the Trustee to accelerate, foreclose or take any other action or seek other remedies under the Financing Documents, the Permanent Loan Documents or any other documents contemplated thereby or by the Financing Agreement to obtain such performance or observance, (iii) cause the acceleration, foreclosure or taking of any other action or the seeking of any remedies under the Permanent Loan Documents, (iv) initiate or take any action which may have the effect, directly or indirectly, of impairing the ability of the Borrower to timely pay the principal, interest and other amounts due under the Permanent Loan, or (v) interfere with or attempt to influence the exercise by Fannie Mae of any of its rights under the Financing Documents or the Permanent Loan Documents.

(d) Except as required to be deposited in the Rebate Fund pursuant to the Financing Documents, any amounts collected pursuant to action taken under this section shall, after the payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, the Issuer, the Lender or Fannie Mae and their respective counsel, be applied in accordance with the provisions of the Indenture. No action taken pursuant to this section shall relieve the Borrower from the Borrower's obligations pursuant to the Financing Agreement.

(e) No remedy conferred upon or reserved to the Issuer or the Trustee in the Financing Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing pursuant to any other agreement at law or in equity or by statute.

(f) Notwithstanding any other provision of the Financing Agreement to the contrary, after the MBS Delivery Date, so long as Fannie Mae is not in default under the MBS, none of the Issuer, the Trustee or any Person under their control shall exercise any remedies or direct any proceedings under the Financing Agreement or the Permanent Loan Documents, other than to (i) enforce rights under the MBS, (ii) enforce the tax covenants in the Indenture, and the Financing Agreement, or (iii) enforce rights of specific performance under the Regulatory Agreement; provided, however, that any enforcement under clauses (ii) or (iii) above shall not include seeking monetary damages.

#### **Notice of Default: Rights to Cure**

The Issuer and the Trustee shall each give notice to the other and the Trustee shall give notice to the Permanent Lender of the occurrence of any Event of Default by the Borrower under the Financing Agreement of which it has actual knowledge. The Permanent Lender shall have the right, but not the obligation, to cure any such default by the Borrower, and upon performance by the Permanent Lender to the satisfaction of the Issuer and the Trustee of the covenant, agreement or obligation of the Borrower with respect to which an Event of Default has occurred, the parties to the Financing Agreement shall be restored to their former respective positions, it being agreed that the Permanent Lender shall have the right to repayment from the Borrower of moneys it has expended and any other appropriate redress for actions it has taken to cure any default by the Borrower; provided that the Borrower's reimbursement obligation shall be non-recourse to the same extent as the underlying obligation is non-recourse to the Borrower and its partners and their officers, employees and agents.

#### **Amendment**

The Financing Agreement and all other documents contemplated by the Financing Agreement to which the Issuer is a party may be amended or terminated only if permitted by the Indenture, and no amendment to the Financing Agreement shall be binding upon any party to the Financing Agreement until such amendment is reduced to writing and executed by the parties to the Financing Agreement; provided that no amendment, supplement or other modification to the Financing Agreement or any other Financing Document shall be effective without the prior written consent of Fannie Mae.

#### **Non-Liability of Issuer**

ALL OBLIGATIONS OF THE ISSUER INCURRED UNDER THE FINANCING AGREEMENT, THE REGULATORY AGREEMENT, THE INDENTURE, THE BONDS AND OTHER FINANCING DOCUMENTS SHALL BE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE FROM THE TRUST ESTATE

AND NO OWNER OR OWNERS OF ANY OF THE BONDS SHALL EVER HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION OR OTHER PUBLIC BODY OF THE STATE, NOR TO ENFORCE THE PAYMENT OF THE BONDS AGAINST ANY PROPERTY OF THE ISSUER (EXCEPT FOR THE TRUST ESTATE), THE STATE OR ANY POLITICAL SUBDIVISION OR OTHER PUBLIC BODY. NO OFFICER, AGENT, DIRECTOR, COMMISSIONER, EMPLOYEE, ATTORNEY OR MEMBER OF THE ISSUER OR ANY PERSON EXECUTING THE FINANCING AGREEMENT ON BEHALF OF THE ISSUER, SHALL BE LIABLE PERSONALLY UNDER THE FINANCING AGREEMENT OR THE OTHER FINANCING DOCUMENTS OR FOR ANY REASON RELATING TO THE ISSUANCE OF THE BONDS. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR THE INTEREST ON THE BONDS, OR FOR ANY CLAIM BASED ON THE BONDS, OR OTHERWISE IN RESPECT OF THE BONDS, OR BASED ON OR IN RESPECT OF THE ISSUER (EXCEPT TO THE EXTENT OF THE TRUST ESTATE) OR BASED ON OR IN RESPECT TO THE FINANCING AGREEMENT OR ANY AMENDMENT TO THE FINANCING AGREEMENT, AGAINST ANY MEMBER, OFFICER, EMPLOYEE, DIRECTOR, AGENT OR ATTORNEY OF THE ISSUER OR ANY SUCCESSOR WHETHER BY VIRTUE OF ANY CONSTITUTION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY OR OTHERWISE, ALL SUCH LIABILITY BEING, BY THE ACCEPTANCE OF THE FINANCING AGREEMENT AND AS PART OF THE CONSIDERATION FOR THE ISSUANCE OF THE BONDS, EXPRESSLY WAIVED AND RELEASED.

The Borrower acknowledges that the Issuer's sole source of moneys to repay the Bonds will be provided by the Trust Estate, and agrees that if the payments to be made under the Financing Agreement shall ever prove insufficient to pay all principal (or Redemption Price) of, premium, if any, and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise), then upon notice from the Trustee, the Borrower shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal (or Redemption Price) of, premium, if any, or interest, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the Borrower, the Issuer or any third party, subject to any right of reimbursement from the Trustee, the Issuer or any such third party, as the case may be, therefor.

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**APPENDIX E**  
**SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT**

*The following is a summary of certain provisions of Regulatory Agreement between the Issuer and the Borrower (the "Regulatory Agreement"). The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Regulatory Agreement, copies of which are on file with the Trustee.*

The Issuer and the Borrower will enter into a Regulatory Agreement (the "Regulatory Agreement") in order to set forth certain terms and conditions relating to the acquisition and operation of the Project. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture and the Regulatory Agreement.

**Federal Tax Law Requirements**

For purposes of satisfying the requirements of the Code, the Borrower represents, warrants and covenants with the Commission as follows:

(a) Qualified Residential Rental Project. The Commission and the Owner agree that the Project is to be developed, owned, managed and operated as a "qualified residential rental project" as such phrase is used in Section 142(d) of the Code at all times during the Regulatory Period. To that end, the Owner represents, covenants and agrees with the Commission as follows:

(1) that the Project shall be constructed and equipped for the purpose of providing residential rental accommodations containing Units and facilities Functionally Related and Subordinate to such Units, as described in Section 142(d) of the Code;

(2) that all of the Units in the Project shall contain complete and separate facilities for living, sleeping, eating, cooking (equipped with a cooking range or microwave oven, refrigerator and sink) and sanitation for single person or a household or shall qualify as a single-resident occupancy unit as provided in Section 142(d)(2)(D);

(3) that none of the Units in the Project shall be leased or rented on a transient basis or for a period of less than 30 days; used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium, nursing or rest home, trailer park or court, or by a cooperative housing corporation (as defined in Section 216(b)(1) of the Code);

(4) that once available for occupancy, each Unit in the Project shall be rented or available for rental on a continuous basis for the term of the Regulatory Agreement to members of the general public in compliance with applicable Treasury Regulations, the Regulatory Agreement and applicable state and federal laws;

(5) that no Unit in the Project shall be occupied by the Owner; provided, that if the Project contains five or more Units, this provision shall not be construed to prohibit occupancy of not more than one Unit by the Owner;

(6) that the Owner shall not take any steps in connection with a conversion of any Units within the Project to individual condominium ownership during the Regulatory Period; and

(7) that the Project shall consist of proximate buildings or structures located on a single "tract" of land which have similarly constructed Units financed pursuant to a "common plan" together with Functionally Related and Subordinate facilities all of which shall be owned by the Owner for federal tax purposes.

(b) Similar Units. That the Qualified Units shall have substantially the same equipment and amenities (not including luxury amenities such as fireplaces) as the other Units in the Project.

(c) Size and Location. That the Qualified Units shall be of substantially the same size as other Units in the Project.

(d) Designated Units. If at any time during the Regulatory Period the Owner is unable to rent or lease the Qualified Units to Project Qualified Residents, to hold such unrented Qualified Units vacant and to offer them for occupancy by Project Qualified Residents to meet the requirements of the Regulatory Agreement.

(e) Annual Income Determination. To make a determination at least annually of whether the income of residents of the Qualified Units continues to qualify such residents as and Project Qualified Residents. Project Qualified Residents shall continue to be so qualified, notwithstanding any increase in income, until the annual determination of the resident's income reflects that the resident's income exceeds 140% of the applicable median gross income. Once it is determined that a Project Qualified Resident's income exceeds 140% of the applicable median gross income, then the next available Unit of comparable or smaller size must be rented to a Project Qualified Resident (and the Unit occupied by the resident whose income has exceeded 140% of the applicable median gross income will continue to be treated as reserved as required the Regulatory Agreement until the next Unit is rented to a Project Qualified Resident). Such determination shall be made on the forms identified in the Regulatory Agreement, as such forms may be amended by the Commission, and are subject to independent investigation and verification by the Commission.

(f) Tax-Exempt Status of the Bonds. To not (i) take any action, (ii) fail to take any action or (iii) make any use of the Project or the proceeds of the Bonds, that would cause the interest on the Bonds to be or become includable in the gross income of the Bond owner. Without limiting the generality of the foregoing, the Owner further covenants and agrees that it will take such action or actions (including, without limitation, consenting and agreeing to amendments to the Regulatory Agreement or any of the other documents as may be necessary, in the opinion of Bond Counsel) so that the Owner, all subsequent owners of the Project and the Project comply fully and continuously with Section 142(d) of the Code, as amended and applicable to the Bonds from time to time, and all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the IRS pertaining to obligations issued under Section 142(d) of the Code, including, without limitation, the Treasury Regulations.

(g) Recording. The Regulatory Agreement shall be duly recorded at or before Closing Date and all amendments shall be duly recorded in the office of the County Auditor of the county in which the Project is located in first position or as set forth in a recorded priority agreement executed by the Commission as an encumbrance upon the Project. The Owner covenants, agrees and acknowledges that the Commission and the Bond owners are the beneficiaries of the Regulatory Agreement, that the Commission has relied on the Regulatory Agreement in determining to issue and sell the Bonds, and that the Bond owners have relied on the Regulatory Agreement in determining to purchase or otherwise become the registered owners of the Bonds; provided that this acknowledgement is not intended to grant to Bond owners the right to enforce the terms of the Regulatory Agreement.

### **Covenants to Run with the Land**

The Owner declares its express intent that, during the term of the Regulatory Agreement, the covenants, restrictions, charges and easements set forth in the Regulatory Agreement, all of which touch and concern the land, shall be deemed covenants running with the land and, except as provided in the Regulatory Agreement, shall pass to and be binding upon the Owner's successors in title, including any purchaser, grantee or lessee of any portion of the Project and any other person or entity having any right, title or interest therein. Each and every contract, deed or other instrument hereafter executed encumbering or conveying the Project or any portion thereof or interest therein (other than a rental agreement or lease for a Unit) shall contain an express provision making such conveyance subject to the covenants, restrictions, charges and easements contained herein; provided, however, that any such contract, deed or other instrument shall conclusively be held to have been executed, delivered and accepted subject to such covenants, regardless of whether or not such covenants are set forth or incorporated by reference in such contract, deed or other instrument.

## **Sale, Transfer or Conveyance of the Project**

If the Owner sells, transfers or otherwise disposes of the Project or any portion thereof (other than by leasing or renting for individual resident use as contemplated under the Regulatory Agreement or as described in the Regulatory Agreement) without obtaining the prior written consent of the Commission, an event of default shall occur under the terms of the Regulatory Agreement and the remedies provided for such default in the Regulatory Agreement can be exercised. The Commission's consent shall not be unreasonably withheld but may be conditioned upon:

(a) reasonable evidence satisfactory to the Commission that the Owner is not then in default under the Regulatory Agreement beyond any applicable grace period or cure period or that such default will be cured within a reasonable period of time following such Transfer;

(b) reasonable evidence satisfactory to the Commission that the Owner has paid or will pay all fees owing under the Financing Agreement;

(c) agreement of the Owner to provide the Transferee with the files, information and data necessary to comply with the reporting requirements of the Regulatory Agreement;

(d) if required by the Commission, an opinion of counsel for the Transferee, delivered to the Commission and the Trustee, to the effect that the Transferee has assumed in writing and in full all duties and obligations of the Owner under the Regulatory Agreement and the Financing Agreement and that the Regulatory Agreement and the Financing Agreement constitute legal, valid and binding obligations of the Transferee;

(e) a determination by the Commission, with regard to any project of the Transferee financed by the Commission, that

(i) the Transferee is not now in arrears on any payments of fees due and owing to the Commission or in default under a regulatory agreement, beyond any applicable grace period or cure period;

(ii) the Transferee does not have a documented history of repeated instances of noncompliance with nonmonetary provisions of the Regulatory Agreement which are not cured after notice thereof and within the applicable cure period or grace period;

(iii) the Transferee does not have a documented history of repeated instances of failure to pay fees due and owing to the Commission or the Trustee which are not paid within a reasonable period after notice thereof;

(iv) either (a) the purchaser or assignee has at least three years' experience in the ownership, operation and management of similar size rental housing projects, and at least one year's experience in the ownership, operation and management of rental housing projects containing below market rate units, without any record of material violations of discrimination restrictions or other state or federal laws or regulations or local government requirements applicable to such projects, or (b) the purchaser or assignee agrees to retain a property management firm with the experience and record described in subclause (a) above, or (c) the transferring Owner or its management company will continue to manage the Project for at least one year following such transfer and during such period will provide training to the transferee and its manager in the responsibilities relating to the Qualified Units; and

(v) the person or entity that is to acquire the Project does not have pending against it, and does not have a history of, material building code violations or material complaints concerning the maintenance, upkeep, operation, and regulatory agreement compliance of any of its projects as identified by any local, state or federal regulatory agencies.

(f) payment to the Commission of the then-applicable administrative fee of the Commission (as set forth in the Commission's Bond Compliance Procedures Manual) to transfer ownership of the Project on its books and records and ensure compliance with this section; and

(g) any other conditions that may be reasonably imposed by the Commission or the Trustee, to assure compliance with federal or state law. Any sale, transfer or other disposition of the Project in violation of this section shall be ineffective to relieve the Owner or the Project of obligations under the Regulatory Agreement.

Notwithstanding the foregoing, the Commission's consent shall not be required, although notice shall still be required for the events specifically excluded from Commission consent described in the Bond Compliance Procedures Manual of the Commission. Such events occurring pursuant to this paragraph shall not constitute events of default under the Regulatory Agreement.

Any written consent to a sale or transfer obtained from the Commission shall constitute conclusive evidence that the sale or transfer is not a violation of the restrictions on transfer set forth in the Regulatory Agreement.

### **Enforcement of Terms**

The benefits of the Regulatory Agreement shall inure to, and may be enforced by the Commission and its successors and assigns, during the term of the Regulatory Agreement, whether or not the Loan is paid in full and whether or not the Bonds are outstanding. Notwithstanding the foregoing, the requirements set forth in the Regulatory Agreement shall cease to apply to the Project if any of the events specified in the Regulatory Agreement occurs. The parties hereto agree they will execute and deliver any and all documents and instruments necessary to effectuate the provisions of this section.

Violations of the provisions of the Regulatory Agreement shall be enforceable exclusively against the Owner or its Transferee (as approved as described under the heading "Sale, Transfer or Conveyance of the Project," above) and only by the Commission and/or the Trustee. No bondholder shall have the right to enforce the Regulatory Agreement. The Commission, its successors, designees and assigns assume no direct or indirect obligation to any former, present or prospective resident for violations of the Regulatory Agreement. The Regulatory Agreement is not intended, and shall not be construed, to create a duty or obligation of the Commission to enforce any term or provision of the Regulatory Agreement on behalf of, at the request of, or for the benefit of, any former, present or prospective resident.

### **Term; Amendment; Termination**

The Regulatory Agreement shall become effective upon its execution and delivery, and shall remain in full force and effect for the Regulatory Period provided therein and shall automatically terminate in its entirety at the end of the Regulatory Period without any further action by the Borrower or the Lender or any other Party, it being expressly agreed and understood that the provisions thereof may survive the retirement of the Bonds and discharge of the Financing Agreement and the Note. When all the Bonds have been paid or deemed paid pursuant to the Indenture, the Trustee will no longer have any duties under the Regulatory Agreement and all references to the Trustee will thereafter be deemed references to the Commission.

The provisions of the Regulatory Agreement shall not be amended, revised or terminated (except as provided in the Regulatory Agreement) prior to the expiration of the Regulatory Period except by an instrument in writing duly executed by the Commission and the Owner (or their successors in title) and duly recorded. The Commission's consent to any such amendment, revision or termination, other than termination pursuant to the Regulatory Agreement (whether or not the Bonds shall then be outstanding), shall be given only upon receipt of an opinion of Bond Counsel that such amendment, revision or termination will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds. An opinion of Bond Counsel approving the modification of any of the terms of the Regulatory Agreement as therein provided shall become applicable upon the delivery of such opinion to the Commission and the recording of the instrument evidencing the modification in the office of public records in the County where the Project is located.

Notwithstanding any other provisions thereof, the Regulatory Agreement shall be amended to conform to any more restrictive requirements of any amendments to the Code, amended Treasury Regulations (proposed or final), which in the opinion of Bond Counsel, is necessary and desirable to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, or any legislative enactment or final decision by a court of competent jurisdiction, affecting such exclusion when the same becomes applicable. The Commission, the Owner and any Transferee of the Owner agree to any such amendments as may be required to comply with any such amendments or decisions.

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## **APPENDIX F BOOK-ENTRY SYSTEM**

*The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer and the Borrower believe to be reliable, but neither the Issuer, the Remarketing Agent nor the Borrower take responsibility for the accuracy thereof.*

The Depository Trust Company ("DTC"), Brooklyn, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or held by the Trustee.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the bonds are to be accomplished by entries made on the records of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in bonds, except in the event that use of the book-entry system for the bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the transaction documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial

Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, the amount of the interest of each Direct Participant in such issue to be redeemed shall be determined on a pro rata basis in accordance with the “Pro Rata Pass Through Distributions of Principal” procedures of DTC.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC’s Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Issuer, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC or its nominee, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer. Under such circumstances, in the event that a successor depository is not obtained, bonds are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the bonds will be printed and delivered.

The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

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**APPENDIX G**  
**FORM OF CONTINUING DISCLOSURE AGREEMENT**

**\$18,000,000**  
**Washington State Housing Finance Commission**  
**Multifamily Tax-Exempt Bonds**  
**(MBS-Secured) (Addison Grove Apartments Project),**  
**Series 2026**

This Continuing Disclosure Agreement, dated as of April 1, 2026 (this “Continuing Disclosure Agreement”), is executed and delivered by Pseudotsuga Apartments LLC, a Washington limited liability company (the “Borrower”), and U.S. Bank Trust Company, National Association, as dissemination agent (the “Dissemination Agent”). The above-captioned bonds (the “Bonds”) are being issued pursuant to an Indenture of Trust, dated as of April 1, 2026 (the “Indenture”), between the Washington State Housing Finance Commission (the “Issuer”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Pursuant to the Indenture and Financing Agreement, dated as of April 1, 2026, among the Issuer, the Trustee, U.S. Bank Trust Company, National Association, a national banking association, as loan originator (the “Loan Originator”), and the Borrower (the “Financing Agreement”), the Dissemination Agent and the Borrower covenant and agree as follows:

**Section 1. Purpose of this Continuing Disclosure Agreement.** This Continuing Disclosure Agreement is being executed and delivered by the Borrower and the Dissemination Agent for the benefit of the holders of the Bonds and in order to assist the Participating Remarketing Agent in complying with the Rule (defined below). The Borrower and the Dissemination Agent acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Continuing Disclosure Agreement, and has no liability to any person, including any holder of the Bonds or Beneficial Owner, with respect to any such reports, notices or disclosures.

**Section 2. Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Continuing Disclosure Agreement.

“*Audited Financial Statements*” means, in the case of the Borrower, the annual audited financial statements prepared in accordance with generally accepted accounting principles, if any.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Disclosure Representative*” shall mean the administrator of the Project or his or her designee, or such other person as the Borrower shall designate in writing to the Dissemination Agent from time to time.

“*Dissemination Agent*” shall mean U.S. Bank Trust Company, National Association, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Borrower and which has filed with the Trustee a written acceptance of such designation.

“*Listed Events*” shall mean any of the events listed in Section 5(a) of this Continuing Disclosure Agreement.

“*MSRB*” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934. All documents provided to the MSRB shall be in an electronic format and accompanied by identifying information, as prescribed by the MSRB. Initially, all document submissions to the MSRB pursuant to this Continuing Disclosure Agreement shall use the MSRB’s Electronic Municipal Market Access (EMMA) system at [www.emma.msrb.org](http://www.emma.msrb.org).

“*Participating Remarketing Agent*” means Stifel, Nicolaus & Company, Incorporated, and its successors and assigns.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

### **Section 3. Provision of Annual Reports.**

(a) The Borrower will, or will cause the Dissemination Agent to, not later than 180 days following the end of the Borrower’s fiscal year, commencing with the fiscal year ending on December 31, 2026, provide to the MSRB an Annual Report which is consistent with the requirements described below. No later than 15 Business Days prior to said date, the Borrower will provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross reference other information, provided that the audited financial statements for the prior calendar year of the Borrower may be submitted separately from the balance of the Annual Report.

(b) If by 15 Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent will contact the Disclosure Representative to determine if the Borrower is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent will send in a timely manner a notice to the MSRB in substantially the form attached as Exhibit B to this Continuing Disclosure Agreement.

(d) The Dissemination Agent will file a report with the Borrower and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided.

**Section 4. Content of Annual Reports.** The Borrower’s Annual Report will contain or incorporate by reference the financial information with respect to the Project, provided at least annually, of the type included in Exhibit A hereto, which Annual Report may, but is not required to, include Audited Financial Statements. If the Borrower’s Audited Financial Statements are not available by the time the Annual Report is required to be filed, the Annual Report will contain unaudited financial statements, and the Audited Financial Statements will be filed in the same manner as the Annual Report when and if they become available.

Any or all of the items described in Exhibit A may be incorporated by reference from other documents, including Remarketing Statements of debt issues with respect to which the Borrower is an “Obligated Person” (as defined by the Rule), which have been filed with the MSRB. The Borrower will clearly identify each such other document so incorporated by reference.

Each annual report submitted hereunder shall be in readable portable document format (“PDF”) or other acceptable electronic form.

### **Section 5. Reporting of Listed Events.**

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events (each, a “Listed Event”):

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulty;

- (iv)      Unscheduled draws on credit enhancements reflecting financial difficulty;
- (v)       Substitution of credit or liquidity providers, or their failure to perform;
- (vi)      Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii)     Modifications to rights of holders of the Bonds, if material;
- (viii)    Bond calls, if material, and tender offers;
- (ix)      Defeasances;
- (x)       Release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi)      Rating changes;
- (xii)     Bankruptcy, insolvency, receivership or similar event of the Borrower. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower;
- (xiii)    The consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv)     Appointment of a successor or additional trustee or paying agent or the change of the name of a trustee or paying agent, if material;
- (xv)      Incurrence of a financial obligation of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Borrower, any of which affect security holders, if material;
- (xvi)     Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Borrower, any of which reflect financial difficulties;
- (xvii)    Delivery of the MBS;
- (xviii)   Any extension of the MBS Delivery Date Deadline; notice of any extension of the MBS Delivery Date Deadline will be in the form attached as Exhibit D or such other form as may be approved by the Dissemination Agent; and
- (xix)     The Project's being placed in service. Notice of the Project's being placed in service from the Borrower to the Dissemination Agent shall be in the form attached as Exhibit F or such other form as may be approved by the Dissemination Agent. Notice of the Project's being placed in service from the Dissemination Agent to the Municipal Securities Rulemaking Board shall be in the form attached as Exhibit C or such other form as may be approved by the Dissemination Agent.

For purposes of clauses (xv) and (xvi) of this Section 5(a), “financial obligation” is as contemplated by Exchange Act Release No. 34-83885; File No. S7-01-17 (the “Adopting Release”).

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any potential Listed Event, pursuant to subsection (c) of this Section 5 or otherwise, provide the Disclosure Representative with notice by email. While the Dissemination Agent is also the Trustee, the Dissemination Agent shall be deemed to have actual knowledge of those items listed in clauses (i), (iii) (solely with respect to funds held by the Trustee), (iv), (v), (vii), (viii), (ix), (x) and (xiv), (xvii) and (xviii) above without the Dissemination Agent’s having received notice of such event. While the Dissemination Agent is not also the Trustee, the Dissemination Agent shall not be deemed to have actual knowledge of any items listed in clauses (i) - (xix) above without the Dissemination Agent having received written notice of such event. For purposes of providing notice to the Disclosure Representative, the Dissemination Agent shall assume that the unscheduled draws described in clauses (iii) and (iv) reflect financial difficulty.

(c) Whenever the Borrower obtains knowledge of the occurrence of a potential Listed Event, the Borrower shall, within five (5) Business Days of obtaining such knowledge and in any event no more than eight (8) Business Days after the occurrence of such event, determine if such event is in fact a Listed Event that is required by the Rule to be disclosed and provide the Dissemination Agent with notice and instructions pursuant to subsections (d) below.

(d) If the Borrower has determined that a Listed Event is required to be disclosed then the Borrower shall prepare a written notice describing the Listed Event and provide the same to the Dissemination Agent along with instructions to file the same pursuant to subsection (e) below.

(e) If the Dissemination Agent has been provided with a written notice describing a Listed Event pursuant to subsection (c) of this Section 5 or otherwise, and is instructed by the Borrower to report the occurrence of such Listed Event, the Dissemination Agent shall, within two (2) Business Days of its receipt of such written notice and in any event no more than ten (10) Business Days after the occurrence of the Listed Event, file the notice with the MSRB and send a copy to the Borrower.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Agreement, the Borrower and the Dissemination Agent may amend this Continuing Disclosure Agreement (and the Dissemination Agent will agree to any amendment so requested by the Borrower unless such amendment adversely affects its rights, duties, protections, immunities, indemnities or standard of care, as determined by the Dissemination Agent) and any provision of this Continuing Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions described under paragraph (a) under “Provision of Annual Reports,” “Contents of Annual Reports” or paragraph (a) under “Reporting of Listed Events,” it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of an Obligated Person (as defined in the Rule) with respect to the Bonds or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Borrower will describe such amendment in the next Annual Report and will include, as applicable, a narrative

explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change will be given in the same manner as for a Listed Event under Section 5(e) hereof and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Default.** In the event of a failure of the Borrower or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, and such failure to comply continues beyond a period of thirty (30) days following written notice to the Borrower, the Borrower or any Holder or Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking, or specific performance by court order, to cause the Borrower or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement will not be deemed an Event of Default under the Indenture or the Financing Agreement, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Continuing Disclosure Agreement will be an action to compel performance.

**Section 8. Beneficiaries.** This Continuing Disclosure Agreement will inure solely to the benefit of the Borrower, the Dissemination Agent, the Participating Remarketing Agent and Holders from time to time of the Bonds and will create no rights in any other person or entity.

**Section 9. Reserved.**

**Section 10. Additional Information.** Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Borrower shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**Section 11. Duties, Immunities and Liabilities of Dissemination Agent.**

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Borrower has provided such information to the Dissemination Agent as required by this Continuing Disclosure Agreement. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the Borrower and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the Borrower's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Borrower has complied with this Continuing Disclosure Agreement. The Dissemination Agent may conclusively rely upon Certifications of the Borrower at all times.

The obligations of the Borrower under this Section 11 shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Borrower.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Continuing Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

**Section 12. Notices.** All notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been duly given or made when delivered personally or by mail (including electronic mail) to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Continuing Disclosure Agreement and addressed as set forth below:

*If to the Borrower:*

Pseudotsuga Apartments LLC  
c/o Great Expectations SPC  
1500 Fairview Avenue East, Suite 301  
Seattle, WA 98102  
Attention: Benjamin Maritz  
Email: ben@grtexp.co

*If to the Dissemination Agent:*

U.S. Bank Trust Company, National Association  
Seattle Tower  
1420 Fifth Avenue, 11th Floor  
Seattle, WA 98101  
Attention: Global Corporate Trust  
Email: christine.ok@usbank.com

**Section 13. Governing Law.** This Continuing Disclosure Agreement shall be governed by the laws of the State of Washington.

**Section 14. Termination of this Continuing Disclosure Agreement.** The Borrower or the Dissemination Agent may terminate this Continuing Disclosure Agreement by giving written notice to the other party at least 30 days prior to such termination. The Dissemination Agent shall be fully discharged at the time any such termination is effective. The Borrower's and the Dissemination Agent's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Borrower shall give notice of such termination in a filing with the MSRB.

**Section 15. Counterparts.** This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Continuing Disclosure Agreement to be executed by their duly authorized representatives as of the date set forth above.

**PSEUDOTSUGA APARTMENTS LLC,**  
a Washington limited liability company

By: Root and Branch,  
a Washington nonprofit corporation  
Its: Co-Manager

By: \_\_\_\_\_  
Benjamin Maritz  
Secretary

By: Great Expectations SPC,  
a Washington social purpose corporation  
Its: Administrative Manager

By: \_\_\_\_\_  
Benjamin Maritz  
Managing Director

[Signatures continue on following page]

[Dissemination Agent's Signature Page to Continuing Disclosure Agreement]

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION,**  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**ANNUAL REPORT**

**\$18,000,000**

**Washington State Housing Finance Commission  
Multifamily Tax-Exempt Bonds  
(MBS-Secured) (Addison Grove Apartments Project),  
Series 2026**

**CUSIP: \_\_\_\_\_**

**Annual report for the period ending December 31, \_\_\_\_\_**

**THE PROJECT**

Name of the Project:	Addison Grove
Address:	17753 78th Avenue East, Puyallup, WA 98375
Number of Units:	102

**INFORMATION ON THE BONDS AND THE MBS**

Original principal amount of Bonds:	
Outstanding principal amount of Bonds:	
MBS Pool Number:	
MBS CUSIP Number:	
Original principal amount of the MBS:	
Outstanding principal amount of the MBS:	

**OPERATING HISTORY OF THE PROJECT**

The tables set forth below offer a summary of the operating results of the Project for fiscal year ended December 31, \_\_\_\_\_, as derived from the Borrower's audited financial statements [or unaudited financial statements].

<b>Financial Results for Fiscal Year Ending December 31, _____</b>	
Revenues	
Operating Expenses <sup>1</sup>	
Net Operating Income	
Debt Service on the Bonds	
Net Income (Loss)	
Debt Service Coverage Ratio	

<sup>1</sup> Excludes depreciation and other non-cash expenses.

<b>Occupancy Results for Fiscal Year Ending December 31, _____</b>	
Physical Occupancy	%
Economic Occupancy <sup>1</sup>	%

<sup>1</sup> The physical occupancy rate is the proportion of units that are occupied or leased by tenants. The economic occupancy rate is the proportion of the gross potential rent that is actually collected. As such, the economic occupancy takes into consideration items such as model units, employee units, discounted units, rent incentives, loss to lease and bad debt expense.

## AUDITED FINANCIAL STATEMENTS

\_\_\_\_\_ Attached

\_\_\_\_\_ Audited financial statements of the Borrower for the period ending December 31, 20\_\_ are not yet completed; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements. Audited financial statements will be filed when available.

\_\_\_\_\_ No audited financial statements of the Borrower were prepared for the period ending December 31, 20\_\_; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements.

**EXHIBIT B**

**NOTICE OF FAILURE TO  
FILE ANNUAL DISCLOSURE REPORT**

Name of Issuer: Washington State Housing Finance Commission  
Name of Issue: Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project),  
Series 2026  
Name of Borrower: Pseudotsuga Apartments LLC  
CUSIP: \_\_\_\_\_  
Date of Issuance: April \_\_, 2026

NOTICE IS HEREBY GIVEN that the above-referenced borrower (the "Borrower") has not provided an Annual Report with respect to the above-named Bonds as required by its Continuing Disclosure Agreement. The undersigned has been informed by the Borrower that it anticipates that Annual Report will be filed by \_\_\_\_\_.

DATED: \_\_\_\_\_

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION,**  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

cc: Borrower

**EXHIBIT C**

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF  
PROJECT PLACED IN SERVICE**

Name of Issuer: Washington State Housing Finance Commission  
Name of Bond Issue: Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project),  
Series 2026  
Name of Borrower: Pseudotsuga Apartments LLC  
Name of Project: Addison Grove  
Address of Project: 17753 78th Avenue East, Puyallup, WA 98375  
Date of Issuance: April \_\_, 2026

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of April 1, 2026, between the above-referenced borrower (the “Borrower”) and U.S. Bank Trust Company, National Association, as Dissemination Agent, that the Borrower has certified that the above-referenced project (the “Project”) is complete and placed in service by the Borrower as evidenced by a certificate from the Borrower confirming that the Project is placed in service for purposes of Section 42 of the Code.

Dated:

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION,**  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

cc: Borrower

**EXHIBIT D**

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF  
EXTENSION OF MBS DELIVERY DATE DEADLINE**

Name of Issuer: Washington State Housing Finance Commission

Name of Bond Issue: Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026

Name of Borrower: Pseudotsuga Apartments LLC

Date of Issuance: April \_\_, 2026

Original MBS Delivery  
Date Deadline:

Extended MBS Delivery  
Date Deadline:

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of April 1, 2026, between the above-referenced borrower (the “Borrower”) and U.S. Bank Trust Company, National Association, as Dissemination Agent, that the Borrower has extended the MBS Delivery Date Deadline from the Original MBS Delivery Date Deadline to the Extended MBS Delivery Date Deadline, pursuant to the Indenture of Trust, dated as of April 1, 2026, between the Issuer and U.S. Bank Trust Company, National Association, as trustee.

Dated:

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION,**  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

cc: Borrower

**EXHIBIT E**

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF  
DELIVERY OF THE MBS**

Name of Issuer: Washington State Housing Finance Commission  
Name of Bond Issue: Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project),  
Series 2026  
Name of Borrower: Pseudotsuga Apartments LLC  
Name of Project: Addison Grove  
Address of Project: 17753 78th Avenue East, Puyallup, WA 98375  
Date of Issuance: April \_\_, 2026

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of April 1, 2026, between the above-referenced borrower (the "Borrower") and U.S. Bank Trust Company, National Association, as Dissemination Agent, that the Borrower has certified that the MBS related to the above-referenced Bond issue has been delivered by Fannie Mae to U.S. Bank Trust Company, National Association, as Trustee.

Dated:

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION,**  
as Dissemination Agent

By: \_\_\_\_\_  
Authorized Officer

cc: Borrower

**EXHIBIT F**

**FORM OF NOTICE OF PLACED IN SERVICE**

**\$18,000,000**

**Washington State Housing Finance Commission  
Multifamily Tax-Exempt Bonds  
(MBS-Secured) (Addison Grove Apartments Project),  
Series 2026**

The undersigned hereby provides notice to U.S. Bank Trust Company, National Association, a national banking association, as dissemination agent (the “Dissemination Agent”) that the multifamily rental housing development known as Addison Grove (the “Project”) has been placed in service in accordance with the Indenture of Trust, dated as of April 1, 2026, between the Washington State Housing Finance Commission (the “Issuer”) and U.S. Bank Trust Company, National Association, a national banking association, as trustee (the “Trustee”), pursuant to which the above-captioned bonds were issued, as further evidenced by the attached Certificate of Occupancy.

**PSEUDOTSUGA APARTMENTS LLC,**  
a Washington limited liability company

By: Root and Branch,  
a Washington nonprofit corporation  
Its: Co-Manager

By: \_\_\_\_\_  
Benjamin Maritz  
Secretary

By: Great Expectations SPC,  
a Washington social purpose corporation  
Its: Administrative Manager

By: \_\_\_\_\_  
Benjamin Maritz  
Managing Director

**ATTACHMENT**

**Certificate of Occupancy**

**APPENDIX H  
TERM SHEET\***

*This Term Sheet assumes the related Mortgage Loan is originated in an amount equal to the maximum amount available under the Permanent Lender Commitment and that all the conditions to delivery of the MBS have been satisfied and have not been waived or modified. See “Multifamily Schedule of Loan Information” herein.*

<b>\$18,000,000</b>	
<b>Washington State Housing Finance Commission Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026</b>	
<b>POOL STATISTICS (AS OF LONG-TERM MODE REMARKETING DATE)</b>	
<b>TAX-EXEMPT BOND AND MBS INFORMATION</b> <i>(Information provided by Issuer for this Remarketing Statement)</i>	
BOND ISSUER NAME	Washington State Housing Finance Commission (“Issuer”)
BOND ISSUE SERIES	Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026
BOND ISSUE PAR	\$18,000,000
BOND LONG-TERM MODE REMARKETING DATE	April __, 2026
BOND MATURITY DATE	June 1, 2037
BOND ISSUE TAX STATUS	See “TAX MATTERS” in the Remarketing Statement.
BOND ISSUE CUSIP	_____
BLOOMBERG SERIES NAME	MFMB 2026-06FN
COLLATERAL FOR THE BOND ISSUE	Fannie Mae DUS MBS (see pool info below)
MBS DELIVERY DATE DEADLINE	November 25, 2028, or, if such day is not a Business Day, the following Business Day, which may be extended in accordance with terms of the Indenture
BOND ISSUE CREDIT RATING	Moody’s “Aa1”
BOND PAYMENT DATES	January 1 and July 1
BOND FIRST PAYMENT DATE	July 1, 2026
BOND INTEREST-ONLY PERIOD	Long-Term Mode Remarketing Date through January 1, 2029
BOND FIRST PRINCIPAL PAYMENT DATE	July 1, 2029, or, if such day is not a Business Day, the next Business Day.
BOND FINAL PAYMENT DATE	June 1, 2036
BOND INTEREST ACCRUAL	30/360
BOND PREPAYMENT TERMS	See “DESCRIPTION OF THE BONDS — Mandatory Redemption of Bonds” in the Remarketing Statement.
BOND OFFERING PRICE	100%
BOND REMARKETING AGENT	Stifel, Nicolaus & Company, Incorporated

\* Preliminary; subject to change.

MANDATORY REDEMPTION OF BONDS	See “DESCRIPTION OF THE BONDS — Mandatory Redemption of Bonds” in the Remarketing Statement.
OPTIONAL REDEMPTION OF BONDS	The Bonds are not subject to optional redemption other than in connection with a prepayment of the Mortgage Loan.
BOND EXCHANGE FEATURE	N/A
BOND TRUSTEE	U.S. Bank Trust Company, National Association

**UNDERLYING FANNIE MAE POOL STATISTICS (AS OF ISSUE DATE)**  
*(Information provided by Permanent Lender for this Remarketing Statement)*

**POTENTIAL UNDERLYING FANNIE MAE POOL STATISTICS ASSUMING THE ORIGINATION OF THE ENTIRE PERMANENT LOAN AMOUNT SUBJECT TO THE PERMANENT LENDER COMMITMENT AND NO WAIVER OR MODIFICATION OF ANY CONDITION TO THE ORIGINATION OF THE PERMANENT LOAN IN THE PERMANENT LENDER COMMITMENT ON OR PRIOR TO THE TERMINATION DATE.**

**NOTWITHSTANDING THE AMOUNT OF THE PERMANENT LOAN COMMITMENT, THE PERMANENT LOAN MAY BE ORIGINATED AT CONVERSION IN AN AMOUNT NOT TO EXCEED 110% OF THE PERMANENT LOAN COMMITMENT AMOUNT (NOT TO EXCEED \$17,996,000\* IN THE AGGREGATE), SUBJECT TO SATISFYING ALL OTHER REQUIREMENTS TO CONVERSION.]**

NOTE RATE	___%
POOL/LOAN MATURITY DATE	May 1, 2036
EXPECTED MBS DELIVERY DATE	November 25, 2028
NUMBER OF LOANS	1
POOL SECURITY FUNDS TRANSFER TYPE	Fed Wire
TRANSACTION TYPE	DUS
POOL FIRST PAYMENT DATE	25 <sup>th</sup> day of the month following the month in which the MBS is delivered, or the following Business Day if such day is not a Business Day
POOL FINAL PAYMENT DATE	May 25, 2036, or the following Business Day if such day is not a Business Day
SECURITY TYPE	Fannie Mae MBS
SELLER NAMES	CBRE Multifamily Capital, Inc.
SERVICER NAME	CBRE Multifamily Capital, Inc.
POOL NUMBER	TBD
% OF INITIAL POOL BALANCE	100%
POOL PREFIX	TBD

**MULTIFAMILY SCHEDULE OF LOAN INFORMATION**  
*(Information provided by Permanent Lender for this Remarketing Statement)*

**POTENTIAL UNDERLYING FANNIE MAE POOL STATISTICS ASSUMING THE ORIGINATION OF THE ENTIRE PERMANENT LOAN AMOUNT SUBJECT TO THE PERMANENT LENDER COMMITMENT AND NO WAIVER OR MODIFICATION OF ANY CONDITION TO THE ORIGINATION OF THE PERMANENT LOAN IN THE PERMANENT LENDER COMMITMENT ON OR PRIOR TO THE TERMINATION DATE.**

\* Preliminary; subject to change.

**NOTWITHSTANDING THE AMOUNT OF THE PERMANENT LOAN COMMITMENT, THE PERMANENT LOAN MAY BE ORIGINATED AT CONVERSION IN AN AMOUNT NOT TO EXCEED 110% OF THE PERMANENT LOAN COMMITMENT AMOUNT (NOT TO EXCEED \$17,996,000\* IN THE AGGREGATE), SUBJECT TO SATISFYING ALL OTHER REQUIREMENTS TO CONVERSION.**

FANNIE MAE LOAN NUMBER	TBD
TIER	2
TIER DROP ELIGIBLE	No
LIEN PRIORITY	First
MAXIMUM LTV	80%
MINIMUM ALLOWABLE UW NCF DSCR(x)	1.20x
BALLOON	Yes
OTHER DEBT NOT DISCLOSED HEREIN	No
ISSUANCE UPB/UNIT	\$ _____
PREPAYMENT PREMIUM OPTION	Yield Maintenance — CMT as defined in the Fannie Mae Multifamily MBS Prospectus
PREPAYMENT PREMIUM TERM	Fannie Mae yield maintenance premium from closing through October 31, 2035 (78 months). <sup>1</sup> Thereafter, a 1% prepayment penalty shall apply through January 31, 2036 (3 months) <sup>2</sup> . Thereafter, no prepayment premium shall apply.
FIRST LOAN PAYMENT DATE	December 1, 2028, assuming a Conversion Date of November 1, 2028
TERMINATION DATE	November 1, 2028, or, if such day is not a Business Day, the following Business Day, which may be extended in accordance with terms of the Indenture and as set forth in the Permanent Lender Commitment
ORIGINAL TERM (MONTHS)	84 months
WEIGHTED AVERAGE AMORTIZATION TERM (MONTHS)	35 years (420 months)
REMAINING TERM TO MATURITY	From the Conversion Date to May 1, 2036
INTEREST TYPE	Fixed
INTEREST ACCRUAL METHOD	Actual/360
INTEREST ONLY TERM (MONTHS)	N/A
NOTE DATE	November 1, 2028, assuming a Conversion date of November 1, 2028
LOAN PURPOSE	New Construction
MONTHLY DEBT SERVICE	\$ _____
MONTHLY DEBT SERVICE AMOUNT PARTIAL IO	N/A

**COLLATERAL INFORMATION**  
*(Information provided by Permanent Lender for this Remarketing Statement)*

\* Preliminary; subject to change.

<sup>1</sup> A portion of this prepayment premium, if collected, may be shared with Certificateholders under the circumstances described in “YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS—Maturity and Prepayment Considerations—Prepayment of a Mortgage Loan—Prepayment Premiums” in the Fannie Mae MBS Prospectus.

<sup>2</sup> No portion of this prepayment premium, if collected, will be shared with Certificateholders under any circumstances as is described in “YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS—Maturity and Prepayment Considerations—Prepayment of a Mortgage Loan—Prepayment Premiums” in the Fannie Mae MBS Prospectus.

PROPERTY ID/DEAL ID	_____
PROPERTY NAME	Addison Grove
PROPERTY STREET ADDRESS	17753 78th Avenue East
PROPERTY CITY	Puyallup
PROPERTY STATE	Washington
PROPERTY ZIP CODE	98375
PROPERTY COUNTY	Pierce
MSA	Seattle-Tacoma-Bellevue, WA
YEAR BUILT	New Construction
PHYSICAL OCCUPANCY	0% (New Construction)
PASS THROUGH RATE	TBD
UNDERWRITTEN ECONOMIC OCCUPANCY	95%
REMAINING AMORTIZATION TERM TO MATURITY	From May 1, 2029, to May 1, 2036
ISSUANCE LTV	80%
ACTUAL NCF DSCR(x)	1.34, estimated
UNDERWRITTEN EFFECTIVE GROSS INCOME	\$1,954,118
UNDERWRITTEN TOTAL OPERATING EXPENSES	\$685,347 (including replacement reserves)
UNDERWRITTEN REPLACEMENT RESERVES	\$300 per unit per year
UW NCF (\$)	\$1,268,771
CROSS-COLLATERALIZED (Y/N)	No
CROSS-DEFAULTED (Y/N)	No
GENERAL PROPERTY TYPE	Multifamily
SPECIFIC PROPERTY TYPE	Garden Style
LAND OWNERSHIP RIGHTS	Fee Simple
PROPERTY VALUE	\$25,600,000 (as of February 17, 2026)
SEISMIC RISK	No
TERRORISM INSURANCE COVERAGE (Y/N)	Yes
TOTAL NUMBER OF UNITS	102
AFFORDABLE HOUSING TYPE	Multifamily
TAXES CURRENTLY ESCROWED	No
PROPERTY OWNER	Pseudotsuga Apartments LLC, a Washington limited liability company
SPONSOR	Benjamin Maritz
PROPERTY MANAGER	See “PRIVATE PARTICIPANTS — The Property Manager” in the Remarketing Statement.
PROPERTY MANAGER EXPERIENCE	See “PRIVATE PARTICIPANTS — The Property Manager” in the Remarketing Statement.
UNIT OF MEASURE	Units

<b>CRA INFORMATION</b> <i>(Information provided by Borrower for this Remarketing Statement)</i>	
UNITS AT OR BELOW 55% OF MEDIAN INCOME	54% (59 units)
UNITS AT OR BELOW 60% OF MEDIAN INCOME	27% (31 units)
UNITS AT OR BELOW 80% OF MEDIAN INCOME	11% (12 units)
AGE RESTRICTED INDICATOR	No
TAX ABATEMENT	Yes
REGULATORY AGREEMENTS OVERSEER	Washington State Housing Finance Commission
REGULATORY AGREEMENT SET-ASIDES	Under the Regulatory Agreement the Borrower is required to rent at least 40% of the Project apartment units to certain qualified tenants whose income does not exceed 60% of the area AMI where the Project is located.

**APPENDIX I-1**

**OPINION OF BOND COUNSEL DELIVERED ON APRIL 14, 2026, IN CONNECTION WITH THE ORIGINAL ISSUANCE OF THE BONDS**

*Upon the issuance of the Bonds, Pacifica Law Group LLP, Bond Counsel for the Issuer, issued the following opinion:*

April 14, 2026

Washington State Housing Finance Commission  
Seattle, Washington

U.S. Bank Trust Company, National Association  
Seattle, Washington

Stifel, Nicolaus & Company, Incorporated  
Bellevue, Washington

Re: Washington State Housing Finance Commission  
Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026  
— \$18,000,000

Ladies and Gentlemen:

We have examined the Constitution and laws of the State of Washington (the “State”) and a certified transcript of the proceedings taken by the Washington State Housing Finance Commission (the “Issuer”) in the matter of the issuance by the Issuer of its Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026, in the aggregate principal amount of \$18,000,000 (the “Bonds”) for the purpose of acquiring a mortgage loan (the “Loan”) originated by U.S. Bank Trust Company, National Association (the “Loan Originator”), to Pseudotsuga Apartments LLC, a Washington limited liability company (the “Borrower”), to enable the Borrower to finance a portion of the costs of the acquisition, construction and equipping of a 102-unit residential rental project located in unincorporated Pierce County, Washington and to be known as “Addison Grove” (the “Project”), and to pay costs of issuance of the Bonds.

The Issuer has entered into a Non-Arbitrage Certificate (the “Issuer’s Tax Certificate”) and the Borrower has entered into a Tax Certificate of Borrower (the “Borrower’s Tax Certificate” and together with the Issuer’s Tax Certificate, the “Tax Certificates”), each of even date herewith regarding the use and investment of the proceeds of the Bonds, and the Borrower and the Issuer have entered into a Regulatory Agreement, dated as of April 1, 2026 (the “Regulatory Agreement”) regarding the low income housing set-aside requirements for the Project.

The Bonds have been authorized pursuant to Chapter 161, Laws of Washington, 1983, a resolution of the Issuer adopted March 26, 2026 (the “Resolution”), and an Indenture of Trust dated as of April 1, 2026 (the “Indenture”), between the Issuer and U.S. Bank Trust Company, National Association (the “Trustee”). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture.

The Bonds are fully registered, are dated the date of issuance, bear interest as provided in the Indenture and mature on the dates provided in the Indenture. The Bonds are subject to redemption and mandatory and optional tender prior to their stated maturity as provided in the Indenture.

The Issuer has not designated the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

The Bonds are special, limited obligations of the Issuer. The principal of, redemption premium, if any, and interest on the Bonds are payable solely from and secured by a pledge of certain money, securities and earnings held in the funds and accounts created under the Indenture and pledged to the Bonds.

We have examined executed counterparts of the Resolution, the Financing Agreement, the Indenture, the Regulatory Agreement, the Tax Certificates, and such other documents, rules, regulations or other matters as we have deemed relevant in arriving at the opinions stated below.

From our examination, it is our opinion that:

1. The Issuer has been duly created and organized as a public body corporate and politic constituting an instrumentality of the State of Washington with full legal right, power and authority to adopt the Resolution, to enter into the Indenture, the Financing Agreement, the Regulatory Agreement and the Issuer's Tax Certificate (together, the "Bond Documents"), to issue, sell and deliver the Bonds, to acquire, pledge and assign the Loan, to provide funds for such purpose by the issuance of the Bonds, to perform its obligations under the Resolution and Bond Documents and to carry out the transactions contemplated thereby.

2. The Issuer has duly adopted the Resolution and has duly authorized, executed and delivered the Bond Documents, and the Bond Documents constitute the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms.

3. The Bonds have been duly authorized, executed and delivered, constitute legal, valid and binding special obligations of the Issuer enforceable in accordance with their terms and are entitled to the benefits and security provided by the Indenture.

4. The Indenture creates the valid pledge of and lien on the revenues, other money and securities, funds, accounts, guarantees, insurance and other items held by the Trustee under the Indenture which it purports to create to secure and/or support the payment of principal of, redemption premium, if any, on and interest on the Bonds, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

5. The Bonds are not a debt of the State or of any political subdivision of the State or any municipal corporation or other subdivision of the State. Neither the State nor any municipal corporation or other political subdivision of the State, other than the Issuer, is liable on the Bonds. The Bonds are not a debt, indebtedness or the borrowing of money within the meaning of any prohibition on the issuance of bonds contained in the Constitution of the State.

6. Interest on the Bonds is excludable from gross income for federal income tax purposes, except during any period while the Bonds are held by a "substantial user" of the facilities financed by the Bonds, or a "related person" within the meaning of Section 147(a) of the Code. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds is taken into account in determining annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in this paragraph is subject to the condition that the Issuer and the Borrower comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer and the Borrower have covenanted to comply with all applicable requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

7. Interest on the Bonds is excludable from taxable income for purposes of Washington State individual income tax, beginning January 1, 2028.

Except as expressly stated above, we express no opinion regarding any tax consequences related to the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on, the Bonds. Owners of the

Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

With respect to the opinions expressed herein, the enforceability of rights and obligations under the Bonds, the Indenture, the Resolution, the Issuer's Tax Certificate, the Regulatory Agreement and the Financing Agreement and against the assets pledged by the Indenture are subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

PACIFICA LAW GROUP LLP

**APPENDIX I-2**

**FORM OF NO ADVERSE EFFECT OPINION OF BOND COUNSEL**

April \_\_, 2026

Washington State Housing Finance Commission  
Seattle, Washington

U.S. Bank Trust Company, National Association, as Fiscal Agent  
Seattle, Washington

Stifel, Nicolaus & Company, Incorporated  
Bellevue, Washington

Re: Washington State Housing Finance Commission  
Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project),  
Series 2026 – April 2026 Remarketing

Ladies and Gentlemen:

We are bond counsel to the Washington State Housing Finance Commission (the “Commission”) and have acted as such in connection with the issuance and sale by the Commission of its Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026 (the “Bonds”) originally issued on April 14, 2026. The Bonds were issued pursuant to an Indenture of Trust dated as of April 1, 2026 (the “Indenture”) between the Commission and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Proceeds of the Bonds were used to acquire a loan (the “Bond Loan”) originated by U.S. Bank Trust Company, National Association (the “Loan Originator”) to Pseudotsuga Apartments LLC, a Washington limited liability company (the “Borrower”), in accordance with a Financing Agreement, dated as of April 1, 2026 (the “Financing Agreement”) among the Commission, the Borrower, the Loan Originator, and the Trustee to finance the construction and equipping of a multifamily residential rental project located in unincorporated Pierce County, Washington (the “Project”).

On this date, the Bonds have been remarketed (the “Remarketing”) pursuant to the terms of the Indenture and a Remarketing Agreement dated as of April 1, 2026, between the Borrower and Stifel, Nicolaus & Company, Incorporated (the “Remarketing Agent”).

The Commission executed a Non-Arbitrage Certificate with respect to the Bonds and the Borrower executed a Tax Certificate of the Borrower with respect to the Bonds, each dated April 14, 2026 (together, the “Tax Certificates”) regarding the original issuance, and the investment of the proceeds, of the Bonds. We have examined a transcript of the proceedings in connection with the Remarketing.

For purposes of this opinion, we have reviewed the Indenture, the Financing Agreement, the Remarketing Agreement, the Bonds, the Tax Certificates, and such other documents as we have deemed necessary for the purpose of the opinions expressed herein. In making such examinations, we have assumed the authenticity of all original documents submitted to us as conformed copies or original documents, and the genuineness of all signatures. Capitalized terms used in this opinion that are not otherwise defined have the meanings given such terms in the Indenture.

We have examined, in addition to the documents described above, such portions of the Code and, to the extent applicable to the Bonds, court decisions, regulations and published rulings of the Internal Revenue Service as we have deemed necessary for the purpose of this opinion.

The opinion hereinafter expressed is subject to the reasonable exercise of the discretion of the court before which any proceeding involving the Commission may be brought. We assume further in connection with this opinion, that any relevant facts will be properly presented to the trier-of-fact and that the pertinent legal issues will be properly briefed and argued.

Based on the foregoing, we are of the opinion that the Remarketing will not, in and of itself, adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes nor from the Washington State individual income tax.

We have not been requested, nor have we undertaken, to review any matters relating to compliance by the Commission, the Borrower, the Trustee, the Remarketing Agent or any other party with the terms of the Indenture and other documents relating to the Bonds. Further, except as expressly stated above, we have not reviewed any events that might have occurred since the date of issue that might affect the exclusion of interest on the Bonds from gross income for federal income tax purposes, or the validity of the Bonds, or otherwise undertaken to confirm the opinions stated in our opinion letter dated April 14, 2026, or the facts and laws upon which such opinions are based. We have not as of the date hereof undertaken to determine whether interest on the Bonds is excluded from gross income for federal income tax purposes.

Except as expressly stated above, we express no opinion regarding any tax consequences related to the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on, the Bonds. Owners of the Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds.

Very truly yours,

PACIFICA LAW GROUP LLP

**APPENDIX I-3**

**FORM OF REMARKETING OPINION OF ISSUER'S COUNSEL**

April \_\_, 2026

Washington State Housing Finance Commission  
Seattle, Washington

U.S. Bank Trust Company, National Association  
Seattle, Washington

Stifel, Nicolaus & Company, Incorporated  
Seattle, Washington

Re: Washington State Housing Finance Commission Multifamily Tax-Exempt Bonds (MBS-Secured) (Addison Grove Apartments Project), Series 2026 (the "Bonds")

Ladies and Gentlemen:

We are general counsel to the Washington State Housing Finance Commission (the "Issuer"). Capitalized terms used herein, relating to the Bonds, unless otherwise defined, shall have the same meanings as in the Indenture of Trust, dated as of April 1, 2026 (the "Indenture") between the Issuer and U.S. Bank Trust Company, National Association (the "Trustee").

For purposes of this opinion, we have reviewed the following documents (the "Documents"):

1. Indenture.
2. Financing Agreement, dated as of April 1, 2026 (the "Financing Agreement") among the Issuer, the Trustee, U.S. Bank Trust Company, National Association, as loan originator, and Pseudotsuga Apartments LLC, a Washington limited liability company (the "Borrower").
3. Regulatory Agreement, dated as of April 1, 2026 between the Issuer and the Borrower, as amended by that First Amendment to Regulatory Agreement dated as of April 1, 2026, between the Issuer and the Borrower.
4. Resolution No. 26-46 of the Issuer adopted March 26, 2026 (the "Resolution"), certified by the Secretary-Designee of the Issuer.
5. Bond Purchase Agreement dated April 8, 2026 (the "Purchase Agreement").

In reviewing the foregoing documents, and in rendering the opinions expressed herein, we have, among other things, relied upon the representations and warranties as to factual matters contained in the documents.

In addition, we have reviewed the following documents (the "Organizational Documents") submitted to us by the Issuer:

- a. Chapter 43.180, Revised Code of Washington codifying Chapter 161, Laws of Washington, 1983, as amended, creating the Issuer.
- b. Copy of the Issuer Rules, certified by the Secretary-Designee of the Issuer (the "Rules").
- c. Copy of the Issuer Housing Finance Plan (the "Plan"), certified by the Secretary-Designee of the Issuer.

Subject to and based upon the qualifications and assumptions set forth in subsequent portions of this opinion letter, we are of the opinion that:

1. The Bonds and the Documents conform to the descriptions thereof contained in the Remarketing Statement, and the statements contained in the Remarketing Statement on the cover and under the captions “INTRODUCTION,” “DESCRIPTION OF THE BONDS,” “SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS,” “TAX MATTERS” and “APPENDIX B – DEFINITIONS OF CERTAIN TERMS,” “APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE,” “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE FINANCING AGREEMENT,” “APPENDIX E – SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT” and “APPENDIX I-1 – OPINION OF BOND COUNSEL DELIVERED ON APRIL 14, 2026, IN CONNECTION WITH THE ORIGINAL ISSUANCE OF THE BONDS,” insofar as such statements purport to summarize certain provisions of the Bonds, the Indenture, the Financing Agreement and the form and content of the opinion of Bond Counsel, present a fair and accurate summary of such provisions.

### QUALIFICATIONS AND ASSUMPTIONS

The opinions expressed above are subject to the following qualifications and assumptions:

1. All opinions are subject to qualification in respect of (a) the effects of bankruptcy, insolvency, conservatorship, receivership, reorganization, arrangement, moratorium, fraudulent conveyance and transfer, forfeiture and other similar laws applicable to or affecting creditors’ rights and (b) the effects of principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and rules governing specific performance, injunctive relief, and other equitable remedies, regardless of whether raised in a proceeding in equity, at law, or otherwise.

2. We have assumed: (i) that each party to the Documents, other than the Issuer, validly exists and has and had all necessary legal and corporate authority to execute, deliver and perform the Documents to which it is a party and the execution and performance of the Documents and such other documents as may be executed in connection therewith by such parties other than the Issuer will not violate or breach any corporate or other document or instrument to which such person is a party or by which it is bound; and (ii) the genuineness of all signatures, the authenticity and completeness of all documents submitted to us as originals, the legal competence of all natural persons who are signators thereto, and the conformity to original documents of all documents submitted to us as copies.

3. Rights to indemnification may be limited by considerations of public policy, by restrictions on municipal corporations, and by provisions of securities and other applicable laws.

4. We express no opinion as to matters of title, ownership, security interests or priorities of security interest or liens with respect to real property.

5. If the Documents were deemed by a Washington court to qualify as a “credit agreement” as defined at RCW 19.36.100 through .900, provisions of the Documents stating that prior or contemporaneous oral agreements are superseded by, merged into and may not vary the Documents will not be enforceable under the laws of the State of Washington.

6. When we use the phrase “to our knowledge,” we mean that nothing has actually come to the attention of the attorneys representing the Issuer in connection with the Documents that is inconsistent with the statement so qualified, but we have not undertaken any independent investigation with respect thereto.

7. We express no opinion with respect to any laws other than the laws of the State of Washington and the laws of the United States (as interpreted in the Ninth Circuit, if there is a split between Circuit Courts of Appeal). This opinion speaks only as of the date hereof and we assume no obligation to update or supplement this opinion should such laws change by legislative action, judicial decision or otherwise.

This opinion is solely for your benefit and may not be relied upon by, nor copies delivered to, any other person (other than your participants, successors and assigns, and your legal and professional advisors, but only for purposes of their representations of and advice to you in connection with the Documents) without our prior written consent.

Very truly yours,

PACIFICA LAW GROUP LLP